BIOMIND LABS INC.

(FORMERLY CROSSWINDS HOLDINGS INC.)

Management's Discussion and Analysis

For the three and nine months ended September 30, 2021

Date: November 15, 2021

Management's Discussion and Analysis

This Management's Discussion and Analysis ("**MD&A**") has been prepared by management of Biomind Labs Inc. (formerly Crosswinds Holdings Inc.) ("**Biomind**" or the "**Company**") and should be read in conjunction with Biomind's unaudited condensed interim consolidated financial statements and notes thereto for the three and nine months ended September 30, 2021 (the "**Interim Statements**), which may be viewed under the SEDAR profile of Biomind at www.sedar.com. The Interim Statements have been prepared using International Financial Reporting Standards.

The Interim Statements and this MD&A have been approved by the Board of Directors of the Company. This MD&A contains disclosure of material changes related to Biomind occurring up to and including November 15, 2021.

All dollar amounts referred to in this MD&A are expressed in U.S. dollars, which is the presentation currency, except where indicated otherwise.

Caution regarding forward-looking information

Certain statements contained in this MD&A constitute "forward-looking information" and "forward-looking statements". All statements other than statements of historical fact contained in this MD&A are forward-looking statements. Such statements can, in some cases, be identified by the use of forward-looking terminology such as "expect," "likely", "may," "will," "should," "intend," or "anticipate," "potential," "proposed," "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking statements included in this MD&A are made only as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by applicable securities laws.

Forward-looking statements in this MD&A are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Management provides forward-looking statements because it believes they provide useful information to readers when considering their investment

This MD&A contains information that is forward-looking and is subject to risks and uncertainties. Forward-looking information includes information concerning the Company's possible or assumed future operations, financial performance, achievements, results, business strategy, plans, goals, and objectives. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "potential" or "continue", similar words or words with similar connotation or the negative thereof. These statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees and there can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur.

Drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Every patient treated on future studies can change those assumptions either positively (to indicate a faster timeline to new drug applications and other approvals) or negatively (to indicate a slower timeline to new drug applications and other approvals). This MD&A contains certain forward-looking statements regarding anticipated or possible drug development timelines. Such statements

are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

*Please refer to the Company's filing statement dated June 29, 2021 (the "**Filing Statement**"), which may be viewed under the SEDAR profile of Biomind at www.sedar.com, for risks that could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein.*

In addition to the factors set out above and those identified in this MD&A under "Risks and Uncertainties", other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. Although Biomind has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements.

Cautionary statement regarding use of non-IFRS financial measures

This MD&A makes reference to the net book value per share. This measure is a non-IFRS financial measure. The Company calculates the net book values per share as it believes it to be an important metric that shareholders use and frequently request and refer to because shareholders have historically viewed the Company as a holding company of investments. This non-IFRS financial measure does not have any standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to a similar measure presented by other issuers. This classification is not an IFRS measure and should not be considered either in isolation of, or as a substitute for, a measure prepared in accordance with IFRS.

Overview of Biomind's Business

Biomind is a biotech research and development company aimed at transforming biomedical sciences knowledge into novel pharmaceutical drugs and innovative nanotech delivery systems for a variety of psychiatric and neurological conditions. Through its acceleration platform, Biomind is developing novel pharmaceutical formulations of the main natural psychedelic molecules, N, N-dimethyltryptamine ("**DMT**"), 5-MeO-DMT and mescaline (the "**Molecules**") for treating a wide range of therapeutic indications. Biomind's focus is to guarantee patients access to affordable and modern-day treatments and use cases.

Refer to "*Part II – Information Concerning Biomind – General Development of the Business*" in the Filing Statement for additional information on the background and operational highlights of Biomind.

Company Description

Biomind was incorporated under the *Business Corporations Act* (Alberta) on March 29, 2005. On July 14, 2021, the Company changed its name to Biomind Labs Inc. in connection with the completion of the Reverse Takeover (defined below). The Company's head office is located at Building Ceibo Of. 002, Camino Saravia s/n, 91.000, Pando, Canelones, Uruguay.

The common shares in the capital of the Company (the "**Shares**") are traded on the Neo Exchange Inc. and under the ticker symbol "BMND".

Reverse Takeover Transaction & Subscription Receipt Financing

On February 22, 2021, the Company, BioMind Research Corp ("**Biomind Research**") and the Company's principal shareholder entered into an arm's length binding definitive agreement, as amended and extended, pursuant to which the Company acquired all of the issued and outstanding securities of Biomind Research (the "**Reverse Takeover**").

On July 9, 2021, the Company entered into an agency agreement (the "**Agency Agreement**") with Biomind Research and Canaccord Genuity Corp. (the "**Agent**"). Pursuant to the Agency Agreement, Biomind Research completed a brokered private placement (the "**Brokered Offering**") of 4,420,647 subscription receipts (the "**Subscription Receipts**") at a price of $1.40 per Subscription Receipt (the "**Offering Price**") for aggregate gross proceeds of $6,188,906. The gross proceeds of the Brokered Offering, less 50% of the cash commission payable to the Agent and certain reasonable costs and expenses of the Agent, were deposited in escrow until the satisfaction of certain release conditions, including all conditions precedent to the Reverse Takeover, were met (the "**Release Conditions**"). Upon the satisfaction of the Release Conditions on July 23, 2021, each Subscription Receipt was converted into one ordinary share in the capital of Biomind Research (each, a "**Biomind Research Share**") without payment of any additional consideration or further action on the part of the holder thereof; and at the effective time of the Reverse Takeover, each Biomind Research Share was exchanged for one Share. In connection with the closing of the Brokered Offering, the Agent received an aggregate cash fee of $353,474 (inclusive of certain advisory fees) and 180,343 compensation warrants (the "**Brokers Warrants**") with a faire value of $122,868 estimated using a Black-Scholes option pricing model. Each Broker Warrant is exercisable into one Share at the Offering Price until July 9, 2023.

On July 14, 2021, the Company filed articles of amendment to: (i) consolidate the Shares on the basis of thirty-two and a half (32.5) pre-consolidation Shares for one (1) post-consolidation Share (the "**Share Consolidation**"); and (ii) change its name to "Biomind Labs Inc.". All numbers in the MD&A have been adjusted to reflect for the Share Consolidation.

On July 15, 2021, the Company filed articles of continuance to continue out of the jurisdiction of Alberta under the *Business Corporations Act* (Alberta) and into the jurisdiction of Ontario under the *Business Corporations Act* (Ontario).

On July 23, 2021, the Reverse Takeover was completed by way of a merger pursuant to a plan of merger under the *BVI Business Companies Act* 2004 (British Virgin Islands) between Biomind Research and a wholly owned subsidiary of the Company, which resulted in the reverse takeover of the Company by the shareholders of Biomind Research. Following the completion of the Reverse Takeover, the Company continued the business of Biomind Research, being the biotech research, development and commercialization of innovative psychotropic pharmaceutical products for the treatment of psychiatric and neurological conditions. In connection with the Reverse Takeover, the Company issued a total of 74,045,647 Shares in exchange for all of the outstanding Biomind Research Shares.

Research & Development[1]

The Company has designed the following three significant programs, which have not yet generated any revenue, focused on developing novel drug therapies for certain neuropsychiatric and neurodegenerative diseases that have distinct advantages over other drugs that are currently in the market or are in development. The Company expects to start three preclinical trials for the Molecules in Q1 2022.

a. DMT Program

b. 5-MeO-DMT Program

[1] All quarter references in this section are based on calendar year-end. There is no assurance that the timelines will be met or that the Phase II clinical trials will advance to novel drug registries.

c. Mescaline Program

DMT Program

Under the DMT Program, the Company intends to develop the following formulations:

- BMND01: DMT novel formulation indicated for Treatment-Resistant Depression (TDR)
- BMND02: DMT novel formulation indicated for Fibromyalgia
- BMND03: DMT novel formulation indicated for Addictive Disorders
- BMND07: novel formulation inspired in Ayahuasca mechanism of action indicated for Major Depressive Disorder

DMT is a serotonergic psychedelic that exerts its effects through serotonergic receptors in the brain including 5-HT2A, 5-HT1A, 5-HT2C and 5-HT7 receptors, among others. Because the effects of DMT do not last very long, it becomes a good candidate to treat resistant depression[2]. DMT effects are thought to be principally mediated through activation of 5HT2AR receptors as a target in major depressive disorder. DMT causes a rapid onset and offset of action compared to similar psychedelic substances such as psilocybin or LSD.[3]

Toxicity testing of new compounds is essential for the drug development process. The preclinical toxicity testing on various biological systems reveals the species, organ and dose-specific toxic effects of an investigational product. The toxicity of substances can be observed by: (a) studying the accidental exposures to a substance; (b) in vitro studies using cells/ cell lines; and (c) in vivo exposure on experimental animals.

The Company cannot at this time accurately estimate the cost of bringing the novel pharmaceuticals BMND01, BMND02, BMND03 and BMND07 formulations to market as much of the associated costs depend on the outcomes of the Phase II clinical trials. In Q2 2022, the Company expects to start Phase I clinical trials under the DMT Program, which are estimated to be completed by year end 2022.[4]

As of September 30, 2021, the Company has spent approximately $179,676 on formulation development under the DMT Program.

5-MeO-DMT Program

Under the 5-MeO-DMT Program, the Company intends to develop the following formulations:

- BMND04: 5-MeO-DMT novel formulation indicated for Eating Disorders
- BMND05: 5-MeO-DMT novel formulation indicated for Chronic Pain

5-MeO-DMT is a very powerful psychedelic tryptamine. It is found in a wide variety of plant species and in toads that secrete substances with psychoactive properties, known as psychoactive toads and, similar to DMT and

[2] Canal, Clinton E. "Serotonergic Psychedelics: Experimental Approaches for Assessing Mechanisms of Action." Handbook of experimental pharmacology vol. 252 (2018): 227-260. doi:10.1007/164_2018_107.

[3] Carbonaro, Theresa M, and Michael B Gatch. "Neuropharmacology of N,N-dimethyltryptamine." Brain research bulletin vol. 126,Pt 1 (2016): 74-88. doi:10.1016/j.brainresbull.2016.04.016.

[4] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

bufotenine (5-OH-DMT), has been used as an entheogen by southern-Americans' shamans for thousands of years.[5] 5-MeO-DMT is orally active when taken with a monoamine oxidase inhibitor ("**MAOI**"). Without the aid of an MAOI, 5-MeO-DMT is orally active at doses above 30mg.[6]

The Company is in the process of developing prototype formulations of synthetic 5-MeO-DMT with different excipients, expecting to start the chemical synthesis of 5-MeO-DMT in Q4 2021 and Good Laboratory Practices compliant protocols and procedures have already been completed.[7] The prototype formulations of synthetic 5-MeO-DMT are expected to be ready in Q1 2022.[8] In Q2 2022, the Company expects to start Phase I clinical trials under the 5-MeO-DMT Program, which are estimated to be completed by year end 2022.[9]

As of September 30, 2021, the Company has spent approximately $128,215 on formulation development under the 5-MeO-DMT Program.

Mescaline Program

Under the Mescaline Program, the Company intends to develop the following formulation:

- BMND06: Mescaline novel formulation indicated for Inflammatory Disorders

Mescaline (3,4,5-trimethoxyphenethylamine) is a psychedelic alkaloid of the phenethylamine class. It is found mainly in the peyote cactus (Lophophora williamsii), the San Pedro cactus (Echinopsis pachanoi) and the Peruvian Torch cactus (Echinopsis peruviana) and in several other species of the Cactaceae. This substance acts in a similar way to other psychedelic agents, mainly binding and activating the serotonin 5-HT2A receptor with high affinity.[10]

The Company has an exclusive agreement with a biotechnological company specialized in the optimization of microorganisms for synthetic biology of high-value molecules through fermentation processes. Biomind is progressing on the biological synthesis of mescaline in order to potentially achieve very low costs and protect a novel

[5] Araújo, A.M., Carvalho, F., Bastos, M.L. et al. The hallucinogenic world of tryptamines: an updated review. Arch Toxicol 89, 1151–1173 (2015). https://doi.org/10.1007/s00204-015-1513-x.

[6] Shen, Hong-Wu et al. "Psychedelic 5-methoxy-N,N-dimethyltryptamine: metabolism, pharmacokinetics, drug interactions, and pharmacological actions." Current drug metabolism vol. 11,8 (2010): 659-66. doi:10.2174/138920010794233495.

[7] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[8] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[9] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[10] Dinis-Oliveira, Ricardo Jorge et al. "Pharmacokinetic and Pharmacodynamic Aspects of Peyote and Mescaline: Clinical and Forensic Repercussions." Current molecular pharmacologyvol. 12,3 (2019): 184-194. doi:10.2174/1874467211666181010154139.

production method of this molecule. The Company expects to complete its research with respect to the biological synthesis of mescaline in Q2 2022.[11]

The Company is also in process of developing a prototype formulation of synthetic mescaline, which it expects to have ready in Q1 2022.[12] In Q2 2022, the Company expects to start Phase I clinical trials under the Mescaline Program, which are estimated to be completed by year end 2022.[13]

As of September 30, 2021, the Company has spent nil on formulation development under the Mescaline Program.

Preclinical and Clinical Research

Preclinical studies aim at providing information about safety and efficacy of a drug candidate before testing it in humans. Insights into the compound's dosing and toxicity levels are essential to determine whether it is justified and reasonably safe to proceed with clinical studies and are provided by studies on pharmacokinetics, pharmacodynamics, and toxicology.

The process required before a prescription drug product candidate may be marketed generally involves chemical and biological research, pre-clinical development, clinical trials (Phase I, II and III) and finally the new drug submission.

Biomind conducts most of its clinical trials in Brazil, with the collaboration of the contract research organization Raras CRO ("**Raras**") pursuant to an exclusivity agreement dated December 23, 2020. Raras provides a comprehensive hub of drug development solutions and fast track pathways from pre-clinical to commercialization. Clinical research in Brazil is supervised by the National Healthcare Surveillance Agency (Agência Nacional de Vigilância Sanitária) ("**ANVISA**"). In 2016, ANVISA became a regulatory member of the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use, an internationally recognized council for harmonizing the parameters of good practice in clinical research. In addition, the World Health Organization classifies and certifies regulatory agencies under the criteria of competence and efficiency, using a scoring parameter from one (minimum) to four (maximum). ANVISA has been considered a regional benchmark since 2010, after attaining the highest degree of this certification and a high level of experience in its structure and assessment.

The use of psychedelic substances in Brazil in religious ceremonies has allowed local neuroscientists and universities to gather a unique knowledge and experience, representing a key advantage for Biomind. The Company's Scientific and Clinical Advisor, Neuroscientist Dr. Draulio Barros de Araujo, has been working with psychedelic substances

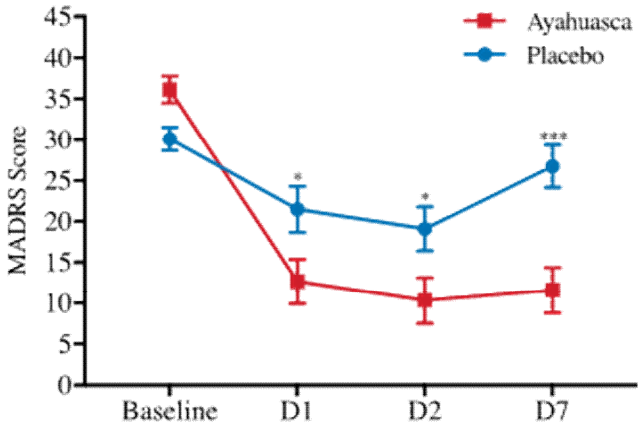
[11] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[12] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[13] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

since 2006 and positions Biomind at the potential forefront of clinical research on the psychedelic compounds DMT and 5-MeO-DMT. Dr. Draulio Barros de Araujo completed the first controlled trial to test a psychedelic substance in treatment-resistant depression in 2016, which is the only completed clinical trial of this kind.

The randomized, placebo-controlled clinical trial, conducted by Dr. Araujo, has shown that Ayahuasca has significant antidepressant effects when compared to placebo. MADRS scores were significantly lower in the ayahuasca group compared to placebo.



MADRS scores as a function of time. Significant differences are observed between ayahuasca (squares) and placebo (circles) at D1 (p = 0.04), D2 (p = 0.04) and D7 (p < 0.0001). Between groups effect sizes are high at all time points after dosing: D1 (Cohen's d = 0.84), D2 (Cohen's d = 0.84), and D7 (Cohen's d = 1.49).

The Company has completed the preclinical trial on its BMND07 candidate, the results show that it is physiologically safe, has low acute oral toxicity, and has no mutagenic effect.

The Company has contracted with the University of Rio Grande do Norte to conduct its Phase II clinical trial on DMT (intramuscular) and its Phase II clinical trial on DMT (inhaled). The Phase II clinical trials were developed by Biomind's Neuroscientist Dr. Draulio Barros de Araujo, will include 40 individuals and will be conducted in Brazil. Given the safety profile, the absence of overdose, tolerance and previous results with BMND07, the Company continues to reinforce the Molecule Clinical Development Dossier of its novel pharmaceuticals BMND01, BMND02, BMND03 and BMND07, enabling a potentially successful molecule-to-market lifecycle.

On August 18, 2021, the Company received the authorization from the Institutional Review Board (the "**IRB**") to commence a Phase IIa clinical trial on DMT (intramuscular route of administration) for treatment resistant depression in partnership with the Federal University of Rio Grande do Norte. The Company has submitted to the IRB a second Phase IIa clinical trial on DMT (inhaled route of administration), which may be approved by end of this year.

The Company is preparing all required documentation for submitting three IND (as defiened below) applications in the U.S. in Q1 2022 supported by the data generated in Brazil and certain minimum safety testing that the United States Food and Drug Administration may require.

Intellectual Property Portfolio

One of the main pillars of Biomind's molecule to market journey is to develop a robust intellectual property strategy, which integrates all the steps that are required to transform psychedelic molecules into novel pharmaceutical drugs. Biomind's IP strategy is based on analyzing and evaluating the knowledge generated by the scientific community and the results of the Company's research and development programs and preclinical trials carried out to date, allowing the Company to innovate and generate intellectual protection.

During the period ended September 30, 2021, Biomind has submitted ten patent applications, related to its BMND program. For the time being, Biomind maintains its intellectual property as trade secrets.

The Company is building its IP portfolio and as of the date of this MD&A, the Company's patent portfolio consists of ten applications, as described in the table below.

	Relevant patents in portfolio	**BMND Candidate**
1	US 63/229,907	BMND01, BMND02, BMND03, BMND04, BMND05
2	US 63/234,035	BMND01, BMND02, BMND03, BMND04, BMND05
3	US 63/234,038	BMND01, BMND02, BMND03, BMND04, BMND05
4	PCT/CA2021/051316	BMND01, BMND02, BMND03, BMND04, BMND05
5	UY 100135	BMND06
6	UY 100189	BMND01, BMND02, BMND03, BMND04, BMND05
7	UY 100211	BMND01, BMND02, BMND03, BMND04, BMND05
8	90749	BMND01, BMND02, BMND03, BMND04, BMND05
9	90650	BMND01, BMND02, BMND03, BMND04, BMND05
10	90942	BMND01, BMND02, BMND03

Regulatory Framework and Licensing Regime

In order to develop medicinal products, the Company's business must be conducted in strict compliance with the regulations of federal, local and regulatory agencies in Brazil, Uruguay and the equivalent regulatory agencies in the other jurisdictions in which it operates. These regulatory authorities regulate, among other things, the research, manufacture, promotion and distribution of drugs in specific jurisdictions under applicable laws and regulations.

The regulatory approval is generally lengthy and expensive, with no guarantee of a positive result. Failure to comply with applicable regulatory authorities or other requirements may result in civil or criminal penalties, recall or seizure of products, injunctive relief including partial or total suspension of production or withdrawal of a product from the market.

Jurisdiction Specific Regulatory Obligations

Brazil

Clinical trials with drugs and biological products in Brazil are regulated and supervised by the Brazilian National Agency for Health Surveillance (*Agência Nacional de Vigilância Sanitária* - ANVISA) ("**ANVISA**"), an

organization linked to the Ministry of Health, part of the Brazilian National Health System as the coordinator of the Brazilian Health Regulatory System.

The main applicable regulations for clinical trials involving drugs and biological products/controlled substances are as follows:

- Federal Law 9782, of January 26, 1999, which defines the Brazilian National Health System and creates the Brazilian National Agency for Health Surveillance;
- Federal Law 6.437, of August 20, 1977, that, among other provisions, regulates violations to the federal sanitary laws and sets forth the respective penalties;
- Resolution of the ANVISA Board of Directors 9, of February 20, 2015, which regulates the conducting of clinical trials with medicines in Brazil ("**RDC 9/2015**");
- Resolution of the ANVISA Board of Directors 16, of April 1st, 2014, which regulates the criteria for the application for AFE and AE for companies ("**RDC 16/2014**");
- Resolution of the ANVISA Board of Directors 204, of November 14, 2006 which approves the Technical Regulation on Good Distribution and Fractioning Practices for Pharmaceutical Inputs, with guidelines to be followed by entities that import, export, distribute, ship, store, fraction and pack pharmaceutical products and by inspection authorities;
- Resolution of ANVISA Board of Directors 367, April 6, 2020, which regulates the import and export of substances, plants and medicines subject to special control ("**RDC 367/2020**");
- ANVISA Normative Instruction 20, of October 2, 2017, which regulates inspection procedures for Good Clinical Practice for clinical trials with medicinal products;
- Ordinance (*Portaria*) SVS 344, of May 12, 1998, which approves the Technical Regulation on substances and medicines subject to special control ("**Ordinance 344**"); and
- Ordinance (*Portaria*) SVS 6, of January 29, 1999, which approves the Normative Instruction of the abovementioned Ordinance 344 ("**Ordinance 6**").

According to RDC 16/2014, an 'Operating Authorization' (*Autorização de Funcionamento* – "**AFE**") is required for each company or place of business that carries out any of the following activities: storage, distribution, packaging, shipping, export, extraction, manufacture, fractioning, import, production, purification, repackaging, synthesis, transformation and transport of medicines and pharmaceutical inputs for human use, cosmetics, personal care products, sanitary perfumes and filling or bottling of medical gases.

A 'Special Authorization' (*Autorização Especial* – "**AE**") is required for the activities described above or any other, for any purpose, with substances subject to special control or with medicines containing them, according to the provisions of Ordinance 344 and Ordinance 6[14].

[14] Ordinance 344 (Article 2) determines that *"to extract, produce, manufacture, benefit, distribute, transport, prepare, handle, fractionate, import, export, transform, pack, repack, for any purpose, the substances listed in this Technical Regulation (ANNEX I) and its updates, or the drugs that contain them, it is mandatory to obtain a Special Authorization granted by the Sanitary Surveillance Secretariat of the Ministry of Health".*

The AE is also mandatory for planting, cultivating, and harvesting of plants from which substances subject to special control can be extracted, and is only granted to public or private legal entities whose objective is the study, research, extraction, or use of active ingredients obtained from those plants. For the granting and renewal of such authorization, the plan of the activity to be developed, the indication of the plants, the location, the extension of the cultivation, the estimated production and the extraction site must be evaluated during the inspection by the local competent sanitary authority and be included in the respective inspection report.

The prohibited substances and the plants from which they originate, as well as the prohibited plants, according to Annex I of Ordinance 344, may only be used in study and research activities when duly authorized by ANVISA through Special Simplified Authorization for educational and research establishments, according to specific legislation.

The clinical trials to be sponsored in Brazil by the Company will involve the following substances:

- DMT, 5-MeO-DMT, mescaline and psilocybin, all psychotropic substances listed in List F2 of Ordinance 344; and

- Ibogaine, which is not in the official list [15].

As a rule, the production, manufacturing, import, export, trade, and use of prohibited substances and drugs are forbidden, except for entities authorized by ANVISA for medical and scientific research. Further, the import and export of the above substances are subject to RDC 367/2020.

In August 2020, the Brazilian Federal Government stated that[16]: "There is no scientific evidence to guarantee the safety of the therapeutic use of ibogaine, as it is a substance with reported serious risks, including sudden death. There is no ANVISA regulation for the commercialization of ibogaine as a medicine, being its offer and commercialization prohibited and subject to complaints. Clinical trials with medicines in Brazil are regulated by RDC 9/2015."

The Company has incorporated a subsidiary in Brazil through which to sponsor research and clinical trials. According to RDC 9/2015, a 'Sponsor' is a "person, company, institution or organization responsible for initiating, conducting, controlling and/or financing a clinical trial" (a "**Sponsor**").

The Company's initial entry into the Brazilian market is determined by way of the engagement of a Contract Research Organization ("**CRO**"), known in Brazil as ORPC (*Organização Representativa de Pesquisa Clínica*[17]) and defined by RDC 9/2015 as any company regularly installed in the Brazilian territory retained by the Sponsor (or by the investigator-sponsor), which partially or totally assumes, before ANVISA, the sponsor's attributions. Under Brazilian regulations, a Sponsor retains ultimate responsibility for the quality and integrity of the clinical trial data, notwithstanding its performance by a CRO. The CRO must have all the licenses applicable to the attributions assumed under the CRO engagement agreement, such as the AFE and the AE. In the event that the Company decides to carry out directly any of the activities currently contracted to the CRO[18], it must obtain all necessary approvals before doing so.

[15] https://www.gov.br/anvisa/pt-br/assuntos/noticias-anvisa/2018/tratamentos-com-ibogaina-nao-estao-regulamentados
[16] http://mds.gov.br/obid/artigos/governo-federal-desaprova-a-utilizacao-de-ibogaina-no-tratamento-da-dependencia-quimica
[17] Representative Organization of Clinical Research.
[18] Such as: storage, distribution, packaging, shipping, export, extraction, manufacture, fractioning, import, production, purification, repackaging, synthesis, transformation and transport of medicines and pharmaceutical inputs.

Uruguay

In Uruguay, research and development activities involving controlled substances are governed under the authority of the Controlled Substances Division (the "**CSD**"), within the General Directorate of Health of the Uruguayan Ministry of Public Health.

The relevant regulations applicable to controlled substances in Uruguay are as follows:

- Decree-Law 14.294 from October 31, 1974 regarding the controlled substances and narcotics, while establishing the applicability of the New York Single Convention of 1961.
- Decree-Law 14.369 from May 8, 1975 adhering Uruguay to the Psychotropic Substances Convention of 1971.
- Law 17.016 from March 7, 2002 which modifies some of the articles of Decree-Law 14.249.
- Decree 391/002 from October 29, 2002 regarding the precursors and chemical substances related to narcotics and psychotropic drugs.
- Law 19.149 from October 23, 2017, that creates the CSD, specifically establishing that said division shall be in charge of the control and inspection of controlled chemical substances and the prevention of them going to illicit markets.

Article 3, literal "A" of Decree-Law 14.294 expressly establishes that the commercialization of plants or other substances with psychoactive components is permitted provided that they are made exclusively for scientific research and for the development of therapeutic products for medical use.

Any company looking to carry out activities linked to psychotropic drugs, narcotics, precursors or chemical products shall be registered with and approved by the CSD. In order to register with the CSD, the company shall have to fill out online information regarding, among other things, its activity, representatives, types of substances to be handled, information about the location where the activity shall be developed. The CSD shall respond to the registration either approving it, requesting further information, or rejecting it.

Relevant activities according to Decree-Law 14.294 are plantation, harvest, commercialization, production, fabrication, preparation, import, export, distribution, use, deposit, stocking, offer for sale or negotiation established in schedules I and II of said Decree-Law.

Article 5 of Decree-Law 14.294 establishes that psychotropic drugs from lists II, III and IV of the Convention for Psychotropic Substances from Vienna 1971 may only be used for therapeutic treatments and scientific research.

United States

The U.S. Food and Drug Administration ("**FDA**") is the regulatory authority that regulates clinical investigations of medical products in the U.S. Within this capacity, the FDA plays a role in reviewing and authorizing investigational new drug applications ("**INDs**") to conduct clinical trials using investigational drug products. Prior to initiating dosing of a clinical study in the U.S., a company must submit and receive approval of its IND as well as receive approval by an institutional review board at each clinical trial site. Following completion of sufficient clinical trials in accordance with IND regulations and Good Clinical Practice requirements, with sufficient proof of the safety and efficacy of the investigational product for its proposed indication, a New Drug Application ("**NDA**"), can be submitted to the FDA. Following payment of user fees for the FDA review and receipt of the NDA, the FDA

will determine within 60 days to accept the filing for review. Once accepted for filing, the FDA begins an in-depth review of the NDA. Under the goals and policies agreed to by the FDA under the Prescription Drug User Fee Act, the FDA targets 10 months, from the filing date, in which to complete its initial review of a new molecular entity NDA and respond to the applicant, and six months from the filing date of a new molecular entity NDA for priority review. The FDA does not always meet its Prescription Drug User Fee Act goal dates for standard or priority NDAs, and the review process is often extended by FDA requests for additional information or clarification.

The FDA review and approval process includes satisfactorily completing one or more pre-approval inspections of the manufacturing facilities to ensure GMP compliance that ensure methods and controls are sufficient to preserve the identity, strength, quality and purity of the drug product. The process may also require the satisfactory completion of an FDA audit of the trial sites that generated the data included in the NDA.

In addition, the FDA may require submission of a Risk Evaluation and Mitigation Strategy, which includes strategies such as physician communication plans, medication guides, patient registries, assessment plans as well as other tools that can serve to mitigate risks and optimise risk benefit ratio.

An application may also be referred to an advisory committee who serve as an independent panel of experts (clinical and scientific) that review, evaluate and recommend whether the application should be approved and under what conditions. While the FDA is not bound by such recommendation, it will consider the recommendations carefully.

Following evaluation of all related information, the FDA may issue an approval letter. An approval letter authorizes the commercial marketing of the drug for specific indications under specific prescribing instruction. In certain cases, a complete response letter may be issued which refers to a statement that sets out specific conditions that must be met prior to final approval. If and when these conditions are met to the satisfaction of the FDA, the FDA will typically issue an approval. Drugs approved by an NDA are regulated under the Section 505 of the *Food, Drug & Cosmetics Act*.

The Molecules are strictly controlled under the the *Controlled Substances Act* (21 U.S.C. § 811) (the "**CSA**"). The Molecules are a Schedule 1 drug under the CSA, which means that they currently have no accepted medical use in the U.S., reflects a lack of accepted safety for use under medical supervision, and has a high potential for abuse. Anyone wishing to conduct research on substances listed in Schedule 1 under the CSA must register with the U.S. Drug Enforcement Administration (the "**DEA**"), and obtain DEA approval for the use of the Schedule 1 substance for research purposes. The process for obtaining DEA approval for use of the Schedule 1 substance involves a complex regulatory pathway, including satisfactorily meeting the DEA's requirements for the security of manufacturing, distribution, and research sites. A failure to meet one or more of the DEA's requirements would likely result in significant delays in proceeding with clinical trials.

Conferences

Biomind was invited by Canaccord Genuity to present at the 41st Annual Growth Conference celebrated between August 10–12, 2021.

Selected Quarterly Information

The following is a summary of: (a) the Interim Statements; and (b) the Company's financial position as at September 30, 2021 compared to the year ended December 31, 2020.

Results from Operations for the Three Months Ended	September 30	
	2021	2020
Research and development	336,010	$-
Share-based compensation	872,606	-
Professional fees	253,719	-
Management fees	36,000	-
Depreciation	8,881	-
Interest expense	1,157	-
General and administrative	163,715	-
Listing expenses	794.847	
Foreign exchange loss	101,988	
Net loss	$2,568,923	$-

Comprehensive loss for the Three Months Ended	September 30	
	2021	2020
Net loss	$2,568,923	$-
Comprehensive loss	$2,627,591	$-

Loss Per Share (EPS)		
Net loss per share from continuing operations	$0.037	$-

Results from Operations for the Nine Months Ended	September 30	
	2021	2020
Research and development	481,858	$-
Share-based compensation	1,004,224	-
Professional fees	486,534	-
Management fees	66,000	-
Depreciation	19,242	-
Interest expense	2,479	-
General and administrative	188,310	-
Listing expenses	794,847	
Foreign exchange loss	101,988	
Net loss	$3,145,482	$-

Comprehensive loss for the Nine Months Ended	September 30	
	2021	2020
Net loss	$3,145,482	$-
Comprehensive loss	$3,204,150	$-

Loss Per Share (EPS)		
Net loss per share from continuing operations	$0.043	$-

Financial Position as at	September 30, 2021	December 31, 2020
Cash	$3,124,061	$-
Total assets	$3,221,669	$29,650
Total liabilities	$311,388	$218,497
Shareholders' equity	$2,910,281	$(188,847)
Number of shares outstanding	74,761,853	69,625,000

Results of Operations Analysis

The Company's operating results reflect (i) revenue recognized primarily from the income generated from the Company's investments in bank deposits; (ii) changes in the value of the Company's assets; and (iii) the expenses required to deploy and manage the Company's invested capital.

For the Three-months Ended September 30, 2021

Line Item	Variance and explanation
Research and development: consists of contract investigator and supplies for Investigational New Drug applications.	Increased by $336,010 primarily due to the research projects started in 2021.
Share-based compensation: consists of expenses of option grants to officers, directors and shareholders.	Increased by $872,606 primarily due to options issued and vested during the period.
Professional fees: consists of services paid to research team.	Increased by $253,719 primarily due to the services paid to research team.
Management fees: consist of the payments to the CEO.	Increased by $36,000 primarily due to the payments to CEO.
Depreciation: depreciation expanses from property, pant and equipment, including ROU assets.	Increased by $8,881 primarily due to the depreciation of new leased assets in Uruguay.
Interest expense: consists of interest on lease liabilities.	Increased by $1,157 primarily due to new leases signed in 2021.
General and administrative: consists of expenses paid to consults and lawyers.	Increased by $163,715 primarily due to consultants, auditors and lawyers fees required to support public company compliance.
Listing expenses: consists of expenses incurred for public listing.	Increased by $794,847 due to the reverse takeover with Crosswind.
Foreign exchange loss: impact of foreign exchange rate movements.	Increased by $101,988 due to the increasing USD to CAD exchange rate during the period and there is a significant amount of Canadian cash held in USD bank accounts.

For the Nine-months Ended September 30, 2021

Line Item	Variance and explanation
Research and development: consists of contract investigator and supplies for Investigational New Drug applications.	Increased by $481,858 primarily due to projects started in 2021.

Line Item	Variance and explanation
Share-based compensation: consists of expenses of option grants to officers and directors.	Increased by $1,004,224 primarily due to options vesting schedule.
Professional fees: consists of expenses paid to services paid to research team.	Increased by $486,534 primarily due to primarily due to the services paid to research team.
Management fees: consist of payments to the CEO.	Increased by $66,000 primarily due to the payments to CEO.
Depreciation: depreciation expanses from property, pant and equipment, including ROU assets.	Increased by $19,242 primarily due to leasing in Uruguay.
Interest expense: consists of interest on lease liabilities.	Increased by $2,479 primarily due to new leases entered into in 2021.
General and administrative: consists of expenses paid to to consultants and lawyers.	Increased by $188,310 primarily due to consultants, auditors and lawyers fees.
Listing expenses: consists of expenses incurred for public listing.	Increased by $794,847 due to the reverse takeover with Crosswind.
Foreign exchange loss: impact of foreign exchange rate movements.	Increased by $101,988 due to the increasing USD to CAD exchange rate during the period and there is a significant amount of Canadian cash held in USD bank accounts.

Balance Sheet Highlights and Analysis

As at September 30, 2021 and December 31, 2020, the Company's assets consisted primarily of cash.

September 30, 2021	December 31, 2020
Total assets of $3,221,669	Total assets of $29,650

Line items	September 30, 2021	December 31, 2020
Liquid Net Assets (Working Capital)		
Cash	$3,124,061	$-
Prepaid expenses	44,746	29,650

September 30, 2021	December 31, 2020	
Accounts payable and accrued liabilities	(257,184)	(218,497)
Lease liabilities – current	(35,305)	$-
Working Capital (Deficit)	***$2,876,318***	***$(188,847)***
Shareholders' Equity (Deficit)	***$2,910,281***	***$(188,847)***

For the Nine-months Ended September 30, 2021

Line Item	Variance and explanation
Cash	Increased by $3,124,061 primarily due to the subscription receipt financing. See details in summary of cash flows section below.
Working Capital	Increased by $3,065,165 primarily due to cash received from subscription receipt financing, net of payables for services.
Total Assets	Increased by $3,192,019 primarily due to the increase in cash from subscription receipt financing.

Update of Use of Available Funds

Biomind intends to use its available funds to meet its planned growth and fund development activities and, as of the date of this MD&A, there have not been, and the Company does not anticipate, any changes to its previously made disclosure about the Company's intended use of proceeds except as described below.

The below table describes the differences between (i) the Company's anticipated use of proceeds from the Brokered Offering as disclosed in the Filing Statement; and (ii) the Company's current anticipated use of proceeds and the actual use of proceeds from the Offering as at September 30, 2021:

Objective	Milestone[1][2]	Prior Estimated Cost in the Filing Statement (US$)[3]	Revised Estimated Cost as at September 30, 2021 (US$)[3][6]	Actual Use of Proceeds as at September 30, 2021 (US$)[3][6]	Prior Estimated Timeframe for Completion in the Filing Statement[4][6]	Actual / Estimated Timeframe for Completion as at September 30, 2021[4][5][6]	Status
DMT Program	Pre-Clinical (a)	Nil	Nil	Nil	Nil	Nil	Complete
	Pre-Clinical (b)	N/A	82,896			Q2 2022	In Process
	Phase I	1,729,413	493,575	287,273	Q3-Q4 2022	Q4 2022	In Process
	Phase II	1,201,345	400,449	Nil	Q4 2022	Q1 2023	In Process
5-MeO-DMT Program	Pre-Clinical	N/A	82,896	Nil	N/A	Q2 2022	Not Yet Commenced
	Phase I	N/A	493,575	Nil	N/A	Q4 2022	Not Yet Commenced
	Phase II	N/A	400,448		N/A	Q1 2023	Not Yet Commenced
Mescaline Program	Pre-Clinical	N/A	82,896	Nil	N/A	Q2 2022	Not Yet Commenced
	Phase I	N/A	493,575	Nil	N/A	Q4 2022	Not Yet Commenced
	Phase II	N/A	400,448		N/A	Q1 2023	Not Yet Commenced
Permits and authorizations		47,635	47,635	47,635	Q2 2021 – Q4 2022	Q2 2021 – Q4 2022	In Process
R&D operating expenses		372,072	372,072	145,848	Q2 2021 – Q4 2022	Q2 2021 – Q4 2022	In Process
General and administrative corporate expenses		440,000	440,000	163,715			
Unallocated working capital		635,014	635,014	656,947			
Total		**4,425,479**	**4,425,479**	**1,301,418**			

Notes:

(1) There may be circumstances where for sound business reasons the Company reallocates the funds or determines to not proceed with a milestone. Covers the 18 month period beginning June 1, 2021.
(2) Subject to receipt of all necessary regulatory approvals.
(3) Based on the exchange rate of $1.2741:US$1.00.
(4) Based on a calendar year-end.
(5) The total expenditure may be incurred by the Company after the relevant quarter that is indicated as the target timeframe for completion.
(6) The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

DMT Program

Under the DMT Program, the Company intends to develop the following formulations:

- BMND01: DMT novel formulation indicated for Treatment-Resistant Depression (TDR)
- BMND02: DMT novel formulation indicated for Fibromyalgia
- BMND03: DMT novel formulation indicated for Addictive Disorders
- BMND07: novel formulation inspired in Ayahuasca mechanism of action indicated for Major Depressive Disorder

The Company cannot at this time accurately estimate the cost of bringing the novel pharmaceuticals BMND01, BMND02, BMND03 and BMND07 formulations to market as much of the associated costs depend on the outcomes of the Phase II clinical trials.

In Q2 2022, the Company expects to start Phase I clinical trials under the DMT Program, which are estimated to be completed by year end 2022.[19]

5-MeO-DMT Program

Under the 5-MeO-DMT Program, the Company intends to develop the following formulations:

- BMND04: 5-MeO-DMT novel formulation indicated for Eating Disorders
- BMND05: 5-MeO-DMT novel formulation indicated for Chronic Pain

The Company is in the process of developing prototype formulations of synthetic 5-MeO-DMT with different excipients, expecting to start the chemical synthesis of 5-MeO-DMT in Q4 2021 and Good Laboratory Practices compliant protocols and procedures have already been completed. The prototype formulations of synthetic 5-MeO-

[19] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

DMT are expected to be ready in Q1 2022.[20] In Q2 2022, the Company expects to start Phase I clinical trials under the 5-MeO-DMT Program, which are estimated to be completed by year end 2022.[21]

Mescaline Program

Under the Mescaline Program, the Company intends to develop the following formulation:

- BMND06: Mescaline novel formulation indicated for Inflammatory Disorders

The Company has an exclusive agreement with a biotechnological company specialized in the optimization of microorganisms for synthetic biology of high-value molecules through fermentation processes. Biomind is progressing on the biological synthesis of mescaline in order to potentially achieve very low costs and protect a novel production method of this molecule. The Company expects to complete its research with respect to the biological synthesis of mescaline in Q2 2022.[22]

The Company is also in process of developing a prototype formulation of synthetic mescaline, which it expects to have ready in Q1 2022.[23] In Q2 2022, the Company expects to start Phase I clinical trials under the Mescaline Program, which are estimated to be completed by year end 2022.[24]

[20] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[21] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[22] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[23] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

[24] The material factors and assumptions underlying this forward-looking statement are: (a) drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Such statements are informed by, among other things, regulatory guidelines for developing a drug with safety studies, proof of concept studies, and pivotal studies for new drug application submission and approval, and assumes the success of implementation and results of such studies on timelines indicated as possible by such guidelines, other industry examples, and the Company's development efforts to date.

Liquidity, Capital Resources and Off-Balance Sheet Arrangements

The following is an analysis of the liquidity, capital resources and off-balance sheet arrangements of the Company and should be read in conjunction with the Interim Statements and the corresponding notes thereto.

Summary of Cash Flows

For the	Nine Months ended September 30, 2021
Cash used in operating activities	$(1,196,551)
Cash from financing activities	$4,480,728
Cash from financing investing	$250
Increase in cash	$3,124,061

Liquidity

The Company had working capital of $2,876,318 at September 30, 2021 (December 31, 2020 – deficit of $188,847). The Company's cash consists of deposits with chartered banks in Canada and the U.S.

The Company calculates its working capital as follows:

Line items	September 30, 2021	December 31, 2020
Liquid Net Assets (Working Capital)		
Cash	$3,124,061	$-
Prepaid expenses	44,746	29,650
Accounts payable and accrued liabilities	(257,184)	(218,497)
Lease liabilities – current	(35,305)	$-
Working Capital (Deficit)	***$2,876,318***	***$(188,847)***

Capital Resources

As of September 30, 2021, the Company had no long-term debt or capital lease obligations.

Contractual Obligations	Payment due by				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Accounts payable and other liabilities	$257,184	$257,184	$-	$-	$-
Leases	59,385	38,520	20,865	-	-
Other obligations	-	-	-	-	-
Total contractual	***$316,569***	***$295,704***	***$20,865***	***$-***	***$-***

The Company's monthly cash burn for the month ended September 30, 2021 was $167,000, and it is expected to increase to average $250,000 per month.

The current working capital would be sufficient for 15 month based on the average cash burn.

Outstanding share data

As at the date of this MD&A:

Authorized	Unlimited
Issued and outstanding	74,761,853
Options outstanding	4,370,000
Broker Warrants outstanding	180,343

Off-Balance Sheet Arrangements

Except as otherwise described herein, the Company currently has no off-balance sheet arrangements.

Transactions with controlling shareholder

The controlling shareholder of the Company, through Union Group Ventures Ltd. ("**Union Group**"), incurred transactions on behalf of the Company relating to the advancement of the business. Costs incurred from November 9, 2020 (date of incorporation) to September 30, 2021 were $2,148,000. $2,048,062 were included as research and development expenses on the statement of loss and the remaining $99,938 were included in general and administrative expenses on the statement of loss. The Company settled $2,000,000 of the amount owing by issuing 50,000,000 Shares. The remaining balance of $148,000 was paid during the period ended September 30, 2021.

Key management and director compensation

For the period nine months period ended September 30,2021, the Company granted $66,000 in remuneration to key management personnel (from November 9, 2020 (date of incorporation) to December 31, 2020, the Company granted $10,000).

The Company also issued options to current Officers during the period and the resulting share-based payment recognized in $738,467.

Service and financial agreement

On November 20, 2020, the Company entered a service and financial agreement with Union Company International Holding (the 100% shareholder of Union Group) pursuant to which Union Company International Holding will provide consulting services to the Company.

Changes in Accounting Policies and Critical Accounting Estimates

The Interim Statements have been prepared in accordance with IFRS.

Critical Accounting Estimates

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of the Interim Statements. In addition, the preparation of financial data requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. 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.

The critical judgments and estimates applied in the preparation of the Interim Statements are reflected in Note 3 of the Interim Statements, a copy of which is available under the Company's profile on SEDAR at www.sedar.com.

Disclosure controls and procedures

Management maintains appropriate information systems, procedures and controls to provide reasonable assurance that information that is publicly disclosed is complete, reliable and timely. The Chief Executive Officer (the "**CEO**") and Chief Financial Officer (the "**CFO**") of the Company, along with the assistance of senior management under their supervision, have designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO, and have designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Internal Control over Financial Reporting

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable IFRS. Internal control over financial reporting should include those policies and procedures that establish the following:

- maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and dispositions of assets;
- reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable IFRS;

- receipts and expenditures are only being made in accordance with authorizations of management or the Board; and

- reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial instruments.

During the period ended September 30, 2021, the Company did not make any significant changes to its internal controls over financial reporting that would have materially affected, or reasonably likely to materially affect, its internal controls over financial reporting.

Limitations of Disclosure Controls and Procedures and Internal Control over Financial Reporting

The Company's management, including the CEO and the CFO, believe that due to inherent limitations, any disclosure controls and procedures or internal control over financial reporting, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors; and (iii) that controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people, or by management override. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

Subsequent Event

On November 11, 2021, the Company announced that it has been invited by H.C. Wainwright to present at the HCW Second Annual Psychedelics Conference on December 6, 2021.

Risk and Uncertainties

Psychedelic products are a new industry globally and, currently, the industry is at a very early stage. As a result, there is a high degree of risk associated with the Company's business. There is a significant risk that the expenditures made by the Company in relation to its biotech research, development and commercialization of innovative psychotropic pharmaceutical products for the treatment of psychiatric and neurological conditions will not result in profitable operations.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues.

There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations.

There are a number of risk factors that could cause future results to differ materially from those described herein. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely affect the Company's business and results of operations.

Information related to the risks and uncertainties faced by the Company can be found under "*Part IV – Risk Factors*" of the Filing Statement, which is incorporated herein by reference, and which may be viewed under the SEDAR profile of Biomind at www.sedar.com.

Additional information

Additional information relating to the Company is contained in the Filing Statement.

Approval

The Board of Directors of the Company has approved the disclosure in this MD&A.