MIND CURE HEALTH INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and twelve months ended May 31, 2021

The purpose of this Management's Discussion and Analysis ("MD&A") is to help the reader understand and assess the material changes and trends in Mind Cure Health Inc.'s ("MINDCURE" or the "Company") results and financial position. It presents management's perspective on the Company's current and past activities and financial results, as well as an outlook of planned activities.

This MD&A of the results of operations and financial position for the three and twelve months ended May 31, 2021, has been prepared and includes financial and other information as of August 31, 2021. This MD&A should be read in conjunction with the audited financial statements for the year ended May 31, 2021 (the "Financial Statements"), prepared in accordance with International Financial Reporting Standards ("IFRS").

Caution on Forward-Looking Information

This MD&A contains "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws (collectively, "forward-looking information") with respect to MINDCURE. Statements in this MD&A that are forward-looking information are based on currently available competitive, financial, and economic data and operating and other plans as of the date of this MD&A but subject to various risks and uncertainties concerning the specific factors disclosed herein. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", will", "projects", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions "may", "could", "would", "might", or "will" be taken, occur or delivered. In this MD&A, forward-looking information includes, but is not limited to: statements pertaining to the research, development and commercialization of technology, intellectual property or related products, or the timing thereof; the utilization of ATMA's network of clinics and patient data; the likelihood of success of any clinical trials; working capital requirements over the next twelve months; the likelihood of obtaining regulatory approval; the likelihood of obtaining patents or the efficacy of such patents once granted; the leadership team; the potential for the markets that MINDCURE is anticipating to access; and the factors described under the caption "Risk Factors" in MINDCURE's final short form prospectus dated February 3, 2021 and documents incorporated by reference therein, and other documents publicly filed by MINDCURE, which are available on MINDCURE's profile at www.sedar.com

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made, including among other things, assumptions about: MINDCURE's ability to raise capital to complete its plans, fund its studies and develops its products; and the medical and commercial viability of the contemplated products being developed; the continued availability of key leadership personnel. While MINDCURE considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking information. Many assumptions are based on factors and events that are not within the control of MINDCURE and there is no assurance they will prove to be correct.

Although MINDCURE has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking information, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended. To the extent any forward-looking information contains forecasts or financial outlooks, such

information is being provided solely to enable a reader to assess MINDCURE's financial condition and its operational history and experience in the industry. Readers are cautioned that this information may not be appropriate for any other purpose, including investment decisions. Such information, as with forward-looking information generally, is, without limitation, based on the assumptions and subject to the risks and other cautionary statements set out above. The actual results achieved will vary from the forecast or financial outlook results and the variations may be material. No representation or warranty of any kind is or can be made with respect to the accuracy or completeness of, and no representation or warranty should be inferred from, our projections or the assumptions underlying them. There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in this forward-looking information may differ materially from actual results or events. Because of the risks, uncertainties and assumptions contained herein, readers should not read forward-looking information as guarantees of future performance or results. Nothing in this presentation is, or should be relied upon as, a promise or representation as to the future. All forward-looking information provided in this MD&A is qualified in its entirety by this cautionary statement, and MINDCURE disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law. Accordingly, readers should not place undue reliance on forward-looking information.

COMPANY OVERVIEW

MINDCURE is a life sciences company with a mission to identify, develop and commercialize products that enhance mental health and wellness. MINDCURE's current business activities are primarily focused on developing digital therapeutics technology and researching psychedelic compounds to rapidly scale science-backed and evidence-based mental health therapy globally.

Mind Cure Health Inc. was incorporated on March 6, 2020, pursuant to the *Business Corporations Act* (British Columbia). The Company's head office is located at 422 Richards Street, Suite 170, Vancouver, British Columbia V6B 2Z4, and its registered office is located at 2500 – 700 West Georgia Street, Vancouver, British Columbia V7Y 1B3.

In August 2020, a wholly owned subsidiary, Mind Cure Health (US) Inc. was incorporated in the State of Nevada, U.S.

In September 2020, the Company closed an initial public offering ("**IPO**") of the Company's common shares and trading of the Company's common shares commenced on September 21, 2020, on the Canadian Securities Exchange (the "**CSE**") under the ticker symbol "MCUR". Also in September 2020, the Company was accepted to list its common shares on the Frankfurt Stock Exchange under the trading symbol "6MH". In October 2021, the Company's common shares were listed in the U.S. on the OTCQB under the ticker symbol "MCURF". In February 2021, the Company's common share purchase warrants commenced trading on the CSE under the ticker symbol "MCUR.WT".

BUSINESS OVERVIEW

Digital Therapeutics

In January 2021, MINDCURE commenced the development of iSTRYM, the Company's digital therapeutics tool, a first-of-its-kind software application that will optimize the healing journey for both patients and clinicians — before, during, and after therapy sessions. By bringing together a variety of healing solutions, iSTRYM will offer therapists global, science-backed protocols, customizable

dashboards, integration plans, insights into patient journeys, and real-time assessments for personalized client care.

The development of iSTRYM constitutes a significant project that has not yet generated revenue. The Company is using both internal resources and third-party consultants to develop iSTRYM and expects to commence field testing and beta testing in August 2021 and commercialization of iSTRYM 1.0 in the first quarter of 2022. As of May 31, 2021, the Company has incurred development costs of approximately $548,736.

Research & Development

The Company's current areas of research and development include:

- manufacturing synthetic ibogaine to supply researchers and clinicians;
- therapeutic potential of psychedelic compounds, including ibogaine, for traumatic brain injuries and related conditions; and,
- preclinical psychedelic molecule research into indications that may involve mood.

PsyCollage (Bioinformatics Platform)

PsyCollage™, the Company's proprietary bioinformatics platform, helps drive research by identifying priority research programs. Conceived as a bioinformatics platform to drive decision-making using predictive correlative statistical analytics of documented research, PsyCollage has evolved through its development into a turnkey resource for discovery of target receptors, methods, clinical trial data management and mapping strategic business partnerships.

Ibogaine Synthesis and Exploration

Natural sources of ibogaine are limited due to the growing global demand and environmental pressures threatening their natural habitat. The Company recognizes the importance of sustainability, excellence, and reliability regarding the materials it and other researchers use in product development and research. By developing a reliable way to manufacture a proprietary, synthetic ibogaine, the Company will provide its research team with consistent access to a predictable and standardized supply of the compound, while ensuring consistent dosing and reliable results. Manufactured synthetic ibogaine would provide MINDCURE's research team with access to a sustainable and high-quality drug supply, ensuring consistent dosing and reliable results. Furthermore, the Company intends to create the opportunity for synthetic ibogaine to be used by researchers conducting clinical trials and, eventually, by clinicians providing psychedelic assisted therapy.

To commercialize the Company's synthetic ibogaine project, the Company will need to complete the bench scale and then commercial scale manufacturing for a proprietary synthetic ibogaine analogue, all of which will occur through a third-party contract development and manufacturing organization ("CDMO"). Currently the Company has completed the initial steps of manufacturing through its CDMO and has commenced scaling up capabilities for production to commercial levels. Once a predictable and sustainable source of synthetic ibogaine is available, the Company intends to both (i) oversee the clinical development of potential therapeutics for priority indications identified through PsyCollage; and (ii) seek out prospective research customers and clinician customers.

The development of a proprietary route for chemical synthesis of ibogaine and development of related sustainable, commercial-scale manufacturing capabilities constitutes a significant project that has not yet generated revenue. The Company is using both internal resources and third-party consultants to develop its ibogaine program and it expects to have viable, commercial-scale manufacturing completed within the next twelve months, however, the timing is uncertain and is contingent on the successful completion of certain

milestones. The Company is expecting to continue to spend a significant amount of capital completing this stage and intends to move to the third stage of manufacturing (meeting current good manufacturing practice regulations) following completion of the second stage.

OPERATIONAL HIGHLIGHTS

The following are operational highlights for the year ended May 31, 2021 and events subsequent up until the date of this MD&A.

Balance Sheet Highlights

As at, May 31, 2021, the Company had:

- Total assets of $21.3 million; total liabilities of $0.7 million and working capital of $18.3 million.
- Accumulated deficit of $10.3 million.

Business Highlights

Digital Therapeutics

In January 2021, MINDCURE introduced iSTRYM, the Company's digital therapeutics tool, a first-of-its-kind software application, that will optimize the healing journey for both patients and clinicians — before, during, and after therapy sessions.

On January 5, 2021, the Company filed a trademark application in Canada for "iSTRYM".

In March 2021, the Company submitted a provisional patent application with the United States Patent and Trademark Office to cover various aspects of iSTRYM.

In March 2021, the Company received unconditional ethics approval from Veritas Independent Research Board ("Veritas") for its integration protocol research study. This study will serve to inform the development of the Company's digital therapeutics platform, iSTRYM, and how it is built out to best serve therapists, patients and the entire psychedelics industry. Veritas is the first and only Canadian-owned and accredited central independent research board. Known as a leader in research ethics, Veritas has long been the research ethics board of choice for Canadian governmental departments, academic hospitals, regional hospitals, private research centers and non-governmental agencies conducting human research. The field research has been completed with analysis underway and final draft currently being reviewed by the authors.

In April 2021, the Company entered into a strategic licensing agreement with Speak AI Inc. ("Speak Ai"), a technology company that uses machine learning to analyze media, language, and metadata to automatically generate valuable insights. By utilizing Speak Ai's machine learning abilities for the Company's iSTRYM platform, iSTRYM will provide a comprehensive solution and take unstructured data (including audio, video and text) and metadata generated through pre- and post-therapeutic sessions to create personalized insights for patients and clinicians.

In April 2021, the Company engaged Lucid Inc. ("Lucid"), a company focused on helping people optimize their mental wellness through music. Under the arrangement, Lucid is developing custom psychedelic music experiences that will be deployed through a Lucid portal within iSTRYM. LUCID's platform is a key differentiator for iSTRYM as therapists and patients seek out scientifically validated tools to enhance the effectiveness of psychedelic-assisted therapies. A custom designed, exclusively built for the iSTYRM platform enables the therapist to alter the music within a therapy session based on real-time feedback and data collected from the patient, all within iSTRYM. Using psychometric and biometric measurement to

determine the user's current mental state and machine learning agents, LUCID systems adaptively predict the optimal musical sequence to help an individual reach their desired state.

In April 2021, the Company entered into a development license agreement with SOMA Breath Inc. ("**SOMA**"), a company that provides meditation and breathwork classes and activities. The term breathwork refers to breathing exercise techniques that manipulate the depth and rate of breath, and SOMA is a global school that combines ancient breathwork techniques based on pranayama with modern science. Under the agreement, MINDCURE will license SOMA's 21-day mental health-designed breathwork program and SOMA will build a custom breathwork track targeted towards psychedelic-assisted psychotherapies, each of which will be accessed by patients and therapists through iSTRYM. MINDCURE intends to create opportunities for therapists and patients to utilize SOMA breathwork programs to foster psychedelic-like experiences without the need for psychedelics themselves, while also enhancing the effectiveness of post-session integration for psychedelic-assisted psychotherapies.

In June 2021, the Company developed two proprietary ketamine-enhanced protocols for psychedelic-assisted psychotherapy – one for treating pain and another for treating depression. These proprietary protocols were developed for MINDCURE by Dr. Mitch Earleywine, Professor of Psychology at the University at Albany, SUNY, and Co-Founder at Wisdom In Nature Consulting Group. Dr. Earleywine has over 250 papers published in peer-reviewed journals that address psychedelic-assisted treatments, substance abuse, depression, health, and personality. These two protocols will be distributed through the Company's iSTRYM platform.

Research & Development (Ibogaine Exploration)

The Company screened several industry leading CDMOs before commencing the first stages of manufacturing synthetic ibogaine in March 2021. In June 2021, the chemistry and route scouting for the synthetic ibogaine were completed and synthetic ibogaine was successfully manufactured by the Company's CDMO.

In July 2021, MINDCURE filed patent applications for two routes of chemical synthesis of ibogaine. Both routes may provide advantages of improved isomeric purity, increased chiral purity, and more easily isolated intermediate compounds. These two routes were assessed to determine which would be the preferred method for further development.

In July 2021, the Company launched the second stage of manufacturing, during which the Company, in conjunction with its CDMO, will be assessing the quality of the synthetic ibogaine when produced at scale to determine the timing and cost for commercial-scale manufacturing. The completion of this stage of non-GMP manufacturing should provide an adequate supply for MINDCURE to begin providing synthetic ibogaine to other research parties across the industry.

Nootropics

The Company's initial product offerings consisted of organic, functional mushroom powders. In September 2020, the Company received the final authorizations from Health Canada to sell its initial functional mushroom products in Canada. Health Canada issued Natural Product Numbers to these products, which means that they were assessed by Health Canada and found to be "safe, effective and of high quality under their recommended conditions of use." In February 2021, the Company released its nootropic product line and introduced its new line of adaptogen products. During the year ended May 31, 2021, only small quantities of product were shipped and were promotional in nature.

In July 2021, the Company discontinued the development of its nootropics line of products in order to increase its focus on its digital therapeutics and research and development activities. The Company intends to make a commercially reasonable effort to sell its existing inventory. As a result, the costs incurred related

to the sales technology platform ($170,932), which was developed to market and sell nootropics online, were expensed during the year ended May 31, 2021.

Management / Board of Directors / Advisors

During the year ended May 31, 2021, the Company made several additions to its senior management team and board of directors and retained a number of advisors, including the following:

Senior Management

In December 2020, Kelsey Ramsden was appointed President & Chief Executive Officer replacing Phil Tapley. Mr. Tapley continues to serve as Chairman of the board of directors. At the time of the appointment, Ms. Ramsden was Chief Operating Officer and a member of the Company's board of directors. Ms. Ramsden is an experienced entrepreneur, having founded, scaled and operated several innovative companies across Canada and the Caribbean. She also has deep industry relationships in the health and wellness space.

In October 2020, Geoff Belair was appointed Chief Technology Officer. Mr. Belair has over 30 years of experience in the fintech industry.

In March 2021, Tarik Lebbadi was appointed Chief Operating Officer. Mr. Lebbadi is an accomplished international executive and operator with extensive experience in healthcare and technology, having served in a leadership position at Johnson & Johnson and at several high-growth technology companies. Most recently, he served in a strategic operational capacity at Aurora Cannabis through the industry's legalization.

In April 2021, Daniel Herrera was hired as VP of Growth and Strategic Partnerships. Mr. Herrera is a pharmaceutical executive with extensive experience in large and start-up pharmaceutical organizations and has a proven track record in translating business strategy into actionable goals for growth and profitability in highly regulated industries.

In April 2021, Michael Wolfe was appointed Chief Financial Officer, after Stephen Inouye resigned from this position. Mr. Wolfe has over 30 years' experience in finance, accounting, private equity and business valuation.

In May 2021, Dr. Joel Raskin was appointed Chief Medical Officer. A trusted and respected leader in the neuroscience community, Dr. Raskin possesses two decades of international pharmaceutical experience in neuroscience drug development, lifecycle preparation, launch, and commercialization. Dr. Raskin leads the company's drug research, development, and commercialization approach. He has additional expertise around several priority indications identified by MINDCURE, including migraines, depression, and anxiety.

Board of Directors

In February 2021, Robert C. Hill was appointed to the Company's board of directors. Mr. Hill has experience in managing private and publicly traded cannabis, technology and financial services companies in Canada, the USA and Japan. He has helped numerous companies to scale production, operations and headcount and has led several successful restructurings. Mr. Hill replaced Ms. Terese Gieselman, who resigned from the board on February 17, 2021.

In April 2021, Larissa Chaikowsky was appointed to the Company's board of directors. Ms. Chaikowsky is the Chief Operating Officer of the U.S. Wealth Management business at BMO. She leads the National Office Teams and oversees the planning, development and implementation of product and service strategies for BMO Financial Group's U.S. Wealth businesses. Prior to this role, Larissa was the U.S. Chief Human

Resources Officer for BMO Financial Group. She oversaw the strategic and operational governance processes of the U.S. HR organization.

Advisors / Consultants

In February 2021, Dr. Dan Engle was engaged as the Company's primary investigator consultant. Dr. Engle is Board Certified in Psychiatry and Neurology, with a clinical practice that combines functional medicine, integrative psychiatry, neuro-cognitive restoration. He is celebrated for his contribution to the understanding of traumatic brain injury and concussion recovery. Dr. Engle is Medical Director of Kuya Institute for Transformational Medicine and consultant to numerous international plant-based healing and recovery centers.

In March 2021, Ty Tashiro was retained as the Company's Senior Translational and Psychometric Architect for its iSTRYM digital therapeutics platform. Mr. Tashiro provides direction for the development of iSTRYM, and in particular how the platform captures and measures data inputs from therapists and patients and translates those inputs into effective psychedelic-assisted therapies and post-therapy integration. Mr. Tashiro holds a Ph.D. in psychology from the University of Minnesota and is a renowned expert in the field.

In May 2021, Dr. John Brownstein was retained as an advisor to the Company. Dr. Brownstein, the Chief Innovation Officer at Boston Children's Hospital and a Professor of Medicine at the Harvard Medical School, is world-renowned for his pioneering approach to data management and technology within health care. Dr. Brownstein is helping to inform the development and deployment of iSTRYM. Dr. Brownstein is also published extensively on issues of patient privacy and his expertise will enable MINDCURE to best optimize the translation and utilization of patient data collected through iSTRYM, with the intended goal to uncover optimal protocols and treatment methods.

In August 2021, Jerry White was retained as an advisor to the Company. Mr. White is a Professor of Practice at the University of Virginia. He is known for leading high-impact campaigns worldwide. Mr. White is a recognized leader of the International Campaign to Ban Landmines and a co-recipient of the 1997 Nobel Prize for Peace. He is a Senior Ashoka Fellow, recognized for a lifetime of social entrepreneurship in service to humanity.

Strategic Investments

In March 2021, the Company completed a strategic equity investment of $500,000 in ATMA Journey Centers Inc. ("ATMA"). ATMA is a Calgary-based organization that has provided psychedelic-assisted therapy for a patient with a Section 56 Exemption. The Company intends to leverage a relationship with ATMA to secure a network of clinics to deploy its iSTRYM platform. ATMA's patient data will contribute to the Company's proprietary technology, ultimately helping to optimize treatment for ATMA's patients and providing a rich data resource for the Company.

In April 2021, the Company completed a further equity investment in ATMA. The investment was comprised of a purchase of $350,000 of ATMA's series A preference shares as part of ATMA's series A financing. The Company satisfied the aggregate subscription price through the issuance of 796,541 of its common shares at an agreed-upon price of $0.4394 per share, being the 10-day volume-weighted average trading price of the common shares on the CSE.

In June 2021, the Company invested $500,000 in Awakn Life Sciences Inc. ("AWKN"), a UK based biotechnology company with clinical operations, researching, developing, and delivering psychedelic medicine to treat addiction. The shares were priced at $2.50 per common share and the Company received 200,000 AWKN common shares. On June 17, 2021, AWKN announced the completion of a reverse takeover and AWKN shares began trading on the NEO Exchange on June 23, 2021. The Company intends to enter into an agreement with AWKN to be AWKN's global provider of data collection, research and

integration support technology through the Company's iSTRYM digital solution and, in addition, develop a tele-medicine platform for the exclusive distribution of AWKN's proprietary ketamine-assisted psychotherapy for alcohol use disorder through MINDCURE's iSTRYM platform.

SELECTED ANNUAL INFORMATION

The table below discloses selected financial information for the periods indicated.

	12 months ended May 31, 2021 (audited)	**Period from incorporation (March 6, 2020) to May 31, 2020** (audited)
Revenue	nil	nil
Net Loss	($10,173,348)	($78,903)
Weighted average shares	57,312,612	3,791,628
Net loss per share [(1)]	($0.18)	($0.02)
Total assets	$21,301,040	$786,489
Total liabilities	$697,383	$36,564
Shareholders' equity	$20,603,657	$749,925
Working capital	$18,315,368	$638,096

(1) Basic and fully diluted net loss per share.

The increase in net loss for the year ended May 31, 2021 compared to the period from incorporation to May 31, 2020 was primarily due to: (i) fiscal 2020 having not been a full year; (ii) commencement of development of iSTRYM in fiscal 2021; (iii) investment in the Company's drug research and synthetic ibogaine programs; (iv) an increase in investor relations and marketing costs; and, (v) the expenses, including share-based payments, to build out the Company's employee base and adding consultants to execute on the Company's strategy.

Total assets, shareholders' equity and working capital as at May 31, 2021 increased compared to May 31, 2020 due primarily to proceeds received from the IPO, Private Placement and Bought Deal Offering (refer to Financing Activities) below.

SELECTED QUARTERLY INFORMATION

The table below discloses selected financial information for the periods indicated.

	Three months ended May 31, 2021 (unaudited)	**Three months ended February 28, 2021** (unaudited)	**Three months ended November 30, 2020** (unaudited)	**Three months ended August 31, 2020** (unaudited)	**March 6, 2020 to May 31, 2020 (audited)**
Revenue	nil	nil	nil	nil	nil
Net Loss	($4,317,150)	($3,232,215)	($2,300,371)	($323,612)	($78,903)
Weighted average shares	93,181,174	61,542,696	31,203,114	30,270,000	3,791,628
Net loss per share [(1)]	($0.05)	($0.05)	($0.07)	($0.01)	($0.02)
Total assets	$21,301,040	$24,724,398	$5,805,290	$738,262	$786,489
Total liabilities	$697,383	$647,802	$528,273	$158,773	$36,564
Shareholders' equity	$20,603,657	$24,076,596	$5,277,017	$579,489	$749,925
Working capital	$18,315,368	$23,416,123	$5,156,036	$467,660	$638,096

(1) Basic and fully diluted net loss per share.

FINANCIAL RESULTS FOR THE THREE AND TWELVE MONTHS ENDED MAY 31, 2021

Revenue for three and twelve months ended May 31, 2021

As the Company is in an early stage phase, there were no revenues to report for the three and twelve months ended May 31, 2021. No revenue was reported for the year ending May 31, 2020.

Operating Expenses for the three months ended May 31, 2021

For the three-month period ended May 31, 2021, the Company incurred a loss and comprehensive loss of $4,317,150 compared to a loss and comprehensive loss of $78,903 for the period ended May 31, 2020. The increased loss was primarily due to: (i) commencement of development of iSTRYM in fiscal 2021; (ii) an increase in investor relations and marketing costs; and, (iii) the expenses, including share-based payments, to build out the Company's employee base and the addition of consultants to execute on the Company's strategy.

Expenses in the fourth quarter of fiscal 2021 included: consulting fees and employee payroll of $690,445 paid to various third party consultants and employees for product development, business and financing strategies and administration (fourth quarter of fiscal 2020 $2,000); management fees of $143,073 (fourth quarter of fiscal 2020 $-) paid to officers and management consultants; investor relations and marketing expenditures of $2,761,180 in order to create awareness of the Company's business strategies (fourth quarter of fiscal 2020 $29,826); advertising and promotion expenses of $135,050 related to sponsorships and product promotion; professional fees of $188,404 consisting primarily of legal fees incurred for general corporate matters, trademark applications, and contract negotiations with consultants and employees (fourth quarter of fiscal 2020 $30,808); transfer agent and filing fees of $11,610 for ongoing monthly listing and filing fees (fourth quarter of fiscal 2020 $-); stock-based compensation of $433,966, representing the non-cash value as measured by the Black-Scholes option pricing model to reflect the fair value of stock options granted to certain directors, officers, employees and consultants under the Company's Stock Option Incentive Plan (fourth quarter of fiscal 2020 $-); and, impairment of the sales technology platform developed to market and sell the Company's nootropic products of $170,932.

Operating Expenses for the year ended May 31, 2021

For the year ended May 31, 2021, the Company incurred a loss and comprehensive loss of $10,173,348, compared to a loss and comprehensive loss of $78,903 for the period ended May 31, 2020.

Expenses during the year ended May 31, 2021 included: consulting fees and employee payroll of $1,831,600 paid to various third party consultants and employees for product development, business and financing strategies and administration (fourth quarter of fiscal 2020 $2,000); management fees of $691,651 (fourth quarter of fiscal 2020 $-) paid to officers and management consultants; investor relations and marketing expenditures of $4,226,904 were incurred to create awareness of the Company's business strategies (fourth quarter of fiscal 2020 $29,826); advertising and promotion expenses of $204,549 related to sponsorships and product promotion; professional fees of $746,270 consisting primarily of legal fees for general corporate matters, trademark applications, contract negotiations with consultants and employees and the incorporation of the Company's US subsidiary (fourth quarter of fiscal 2020 $30,808); transfer agent, listing and filing fees of $115,742, paid to various regulatory bodies relating to the Company's initial public offering, fees to list the Company on the OTC Market and for DTC eligibility in the US, for listing on the Frankfurt Exchange in Germany and for ongoing monthly listing and filing fees (fourth quarter of fiscal 2020 $-); stock-based compensation of $2,316,218 representing the non-cash value as measured by the Black-Scholes option pricing model to reflect the fair value of stock options granted to certain directors, officers and consultants under the Company's Stock Option Incentive Plan (fourth quarter of fiscal 2020 $-); and, impairment of the sales technology platform developed to market and sell the Company's nootropic products of $170,932.

LIQUIDITY AND CAPITAL RESOURCES

The Company is in a pre-revenue stage and does not currently generate cash from operations required to fund its current and projected long term operating expenses and capital expenditures. To date, the Company has funded its operations from the sale of equity securities.

As at May 31, 2021, the Company had cash and cash equivalents of $18,281,343 and working capital of $18,315,368, sufficient to cover a minimum of one year's expected financial obligations.

Cash used in operating activities during the year ended May 31, 2021 was $8,289,614. The significant uses in cash were for employee payroll, consulting fees, investor relations, marketing and professional fees.

Cash used in investing activities during the year ended May 31, 2021 was $1,271,759 which included a $500,000 investment in ATMA, $269,706 for iSTRYM development expenses and a $500,000 deposit relating to an investment in AWKN.

Cash from financing activities during the year ended May 31, 2021 was $27,233,082, which is as a result of the net proceeds raised in the IPO, Private Placement, Bought Deal Offering (as defined in Financing Activities below) and exercise of warrants and stock options.

Over the long-term, the Company will be required to raise additional capital to fund its operations through the issuance of equity securities, loan financing, or other means. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favourable to the Company as those previously obtained, or at all.

Financing Activities

During the year ended May 31, 2021, the company raised net proceeds of $27,233,082 through the issuances of common shares and the exercise of warrants and options, as follows:

On September 17, 2020, the Company completed its IPO of the Company's common shares on the CSE. A total of 14,950,000 common shares were sold under the IPO at a price of $0.20 per share, inclusive of the shares issued under the over-allotment option pursuant to the terms of an agency agreement dated August 27, 2020 (the "Agency Agreement") between Haywood Securities Inc. (the "Agent") and the Company, for aggregate gross proceeds of $2,990,000. Pursuant to the Agency Agreement, the Company paid the Agent a cash commission equal to 8% of the gross proceeds of the IPO, a cash corporate finance fee of $22,500 plus GST, and issued to the Agent and its selling group members, non-transferable share purchase warrants to acquire an aggregate of 1,196,000 common shares with an exercise price of $0.25 per share for a period of 24 months from the closing of the IPO. Issuance costs of $574,800 were incurred.

On September 28, 2020, pursuant to the terms of the COO's executive employment agreement, a total of 96,000 common shares of the Company were issued at a deemed price of $0.80 per share. The shares were subject to a hold period of four months and a day from the date of issuance.

On September 28, 2020, the Company issued 50,000 common shares of the Company at a deemed price of $0.80 per share, to an independent consultant. The shares were subject to a hold period of four months and a day from the date of issuance.

On November 19, 2020, the Company closed an oversubscribed non-brokered private placement (the "Private Placement"). The Company issued 8,000,000 units (the "Units") at a price of $0.45 per Unit for gross proceeds of $3,600,000. Each Unit consisted of one common share and one common share purchase warrant (each, a "Warrant"). Each Warrant is exercisable into one common share in the capital of the

Company at an exercise price of $0.60 per share for a period of 24 months after the date of issue. Issuance costs of $54,640 were incurred.

On February 10, 2021, the Company completed a bought deal public offering of 38,334,100 units at a price of $0.60 per unit for gross proceeds of $23,000,460 (the "Bought Deal Offering"). Each unit consisted of one common share and one-half of one common share purchase warrant of the Company (each whole common share purchase warrant, a "Warrant"). Each Warrant is exercisable to acquire one common share of the Company at an exercise price of $0.80 per share until February 10, 2026. The Company paid the agent total cash fees of $1,230,025 equal to 6% of the aggregate gross proceeds of the Bought Deal Offering, except for units issued to certain directors and officers of the Company for which a reduced commission of 3% was paid. Additionally, the Company issued 2,050,041 compensation warrants equal to 6% of the aggregate number of units issued pursuant to the Bought Deal Offering, except for units issued to certain directors and officers of the Company for which a reduced commission of 3% was paid. Each compensation warrant is exercisable into one common share of the Company at an exercise price of $0.60 per share and expires on February 10, 2026, subject to adjustment and acceleration in certain events. The compensation warrants were valued at $1,162,373. In addition, the Company paid a corporate finance fee in the amount of $250,000 with 50% of the corporate finance fee paid in cash and 50% paid in common shares at a deemed price of $0.60 for a total of 208,333 common shares. Total issuance costs of $2,099,544 were incurred. If, at any time after February 10, 2021, the daily volume weighted average trading price of the Company's common shares on the CSE is greater than $1.50 per common share for the preceding 10 consecutive trading days, the Company shall have the right to accelerate the expiry date of the warrants to a date that is at least 30 trading days following the date of the Company issuing a press release disclosing such acceleration.

On April 7, 2021, the Company issued 796,541 common shares of the Company at a deemed price of $0.4394 to ATMA in consideration for 492,958 series A preferred shares of ATMA.

On May 6, 2021, the Company issued 18,300 common shares of the Company at a deemed price of $0.60 per share, to an independent consultant. The shares are subject to a hold period of four months and a day from the date of issuance.

During the year ended May 31, 2021, a total of 683,323 warrants were exercised for proceeds of $172,206. The Company reduced the carrying value of warrants by $63,998 that was associated with the warrants that were exercised and reallocated this amount to share capital.

During the year ended May 31, 2021, a total of 255,000 stock options were exercised for proceeds of $74,400. The Company reduced the carrying value of options by $54,982 that was associated with the stock options that were exercised and reallocated this amount to share capital.

On June 7, 2021, the Company issued 28,620 common shares of the Company at a deemed price of $0.60 per share, to an independent consultant. The shares are subject to a hold period of four months and a day from the date of issuance.

On July 5, 2021, the Company issued 24,686 common shares of the Company at a deemed price of $0.60 per share, to an independent consultant. The shares are subject to a hold period of four months and a day from the date of issuance.

On August 5, 2021, the Company issued 40,185 common shares for warrants exercised at $0.25 per common share.

Contractual Obligations

As at the date of this MD&A, the Company had no contractual obligations.

Capital Expenditures

As of the date of this MD&A, the Company had no obligations related to capital expenditures.

FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada and a full-service financial services firm. As most of the Company's cash is held by one bank and one financial services firm, there is a concentration of credit risk. This risk is managed by using a Canadian chartered bank. Credit risk related to cash is assessed as low.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. As of May 31, 2021, the Company had working capital of $18,315,368, sufficient to cover a minimum of one year's expected financial obligations. Liquidity risk is assessed as moderate.

Foreign exchange risk
The Company is exposed to currency risk to the extent that monetary operational expenses are denominated in both CAD and USD while functional currency of CAD in used for reporting. The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company had the following balances in monetary assets and monetary liabilities which are subject to fluctuation against CAD:

		Denominated in: US$
Cash	$	568,888
Accounts payable and accrued liabilities		(177,471)
Total net US$	$	391,417
Foreign currency rate		1.21424
Equivalent to Canadian dollars	**$**	**475,274**

Based on the above net exposures as at May 31, 2021, and assuming that all other variables remain constant, a 10% change of the USD against the CAD would impact net loss by approximately by $47,527.

Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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. As at May 31, 2021, the Company did not have any financial instruments subject to interest rate risk.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, cash and near cash investments. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets and liabilities measured at fair value using level inputs as at May 31, 2021:

	As at May 31, 2021		
	Level 1	**Level 2**	**Level 3**
Financial Assets			
Cash	$ 3,229,834	$ -	$ -
Cash equivalents	15,051,509	-	-
Accounts receivable	85,738	-	-
Investments - ATMA	-	1,237,500	-
Deposits	-	500,000	-
Financial Liabilities			
Accounts payable and accrued liabilities	697,383	-	-

Accounts payable approximates its fair value due to its short-term maturity.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The following table sets out a breakdown of all material components of certain costs of the Company for the year ended May 31, 2021.

Item	For the year ended May 31, 2021
Consulting fees and employee payroll	1,831,600
Filing fees	115,742
Management fees	691,651
Professional fees	746,270
Stock-based compensation	2,316,218
Research expenses	50,363

In addition, the Company's development costs for the year ended May 31, 2021 for iSTRYM were $548,736.

The following table provides a review of the variances between the use of proceeds, estimated versus actual, for the funds raised in the IPO on September 17, 2020, the private placement on November 19, 2020 and the bought deal on February 10, 2021. The periods included in the actual use of proceeds are from June 1, 2020 to May 31, 2021. See footnotes for additional comments.

	Estimated Use of Proceeds [1]					
	IPO Sep 2020 [2] [3]	Private Placement Nov 2020 [4]	Bought Deal Feb 2021 [5] [6]	Combined Estimated Use of Proceeds	Actual use of Proceeds [7]	Variances
Costs associated with financings	$105,489	$50,000	$575,000	$730,489	$986,134	($255,645) [8]
General and administrative expenses	$640,800	$810,000	$3,300,000	$4,750,800	$2,462,847	$2,287,953 [9]
Costs associated with achieving business objectives	$2,021,000	$0	$750,000	$2,771,000	$1,361,501	$1,409,499 [10]
Research & Development	$0	$1,500,000	$7,850,000	$9,350,000	$384,611	$8,965,389 [11]
Technological offerings and capabilities	$0	$0	$5,600,000	$5,600,000	$1,600,982	$3,999,018 [12]
Investor relations and marketing	$238,800	$1,000,000	$3,100,000	$4,338,800	$4,404,588	($65,788) [13]
Unallocated working capital	$318,805	$240,000	$320,432	$879,237	-	$879,237
	$3,324,894	$3,600,000	$21,495,432	$28,420,326	$11,200,663	$17,219,663

Footnotes:

(1) Estimated use of proceeds are net of agent and finance fees, when applicable.

(2) Estimated use of IPO proceeds includes cash on hand of $574,094 plus the exercise of the Agent's 15% overallotment option increasing the total available funds to $3,324,894.

(3) Estimated use of proceeds are for a 12-month period - September 2020 to August 2021.

(4) Estimated use of proceeds are for a 12-month period - November 2020 to October 2021.

(5) Estimated use of Bought Deal proceeds reflect the exercise of the Agent's 15% overallotment option increasing the total available funds to $21,495,432

(6) Estimated use of proceeds are for a 12-month period - February 2021 to March 2022.

(7) Actual use of proceeds are actual costs from June 1 to May 31, 2021.

(8) Negative variance is due to higher than expected legal costs and expenses related to the IPO and Bought Deal.

(9) Variance reflects timing of expenses.

(10) $2,771,000 was originally intended to be used for development and distribution of the Company's nootropic product portfolio. As at May 31, 2021, approximately $0.5 million was used for the nootropic product portfolio, $0.5 million was used for the AWKN investment and approximately $0.4 million was used for various strategic initiatives.

(11) Variance reflects anticipated scheduling of research and development expenditures that are scheduled to occur in the next 12 months.

(12) Variance reflects anticipated scheduling of development of technology offerings and capabilities that are scheduled to occur in the next 12 months.

(13) Variance reflects the Company investing greater resources into building awareness of the Company, its business objectives and product awareness.

ADDITIONAL DISCLOSURES

Off-Balance Sheet Arrangements

No off-balance sheet arrangements were made in this reporting period.

Related Party Transactions

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 executive and non-executive members of the Company's Board of Directors and corporate officers. During the year ended May 31, 2021, the following transactions with related parties are summarized as follows:

		For the year ended May 31, 2021
Management, officers and directors' remuneration	**$**	691,651
Professional fees		139,328
Share-based payments		1,329,254
	$	**2,160,233**

Management and accounting fees totaling $126,750 were incurred and either paid ($116,750) or payable ($10,000) to SDI Consulting Inc., a company controlled by Stephen D. Inouye, the Company's former Chief Financial Officer and a former director.

Consulting fees of $120,000 were paid to Geppetto Consulting Inc., a company controlled by Philip Tapley, a director of the Company and former Chief Executive Officer.

Management and consulting fees totaling $114,578 were paid to a company controlled by the Company's former Chief Science Officer.

During the year ended May 31, 2021, the Company granted 6,645,000 options to key management personnel. Share-based payments of $1,329,254 were recognized as the fair value of the options granted.

Significant Accounting Policies including Initial Adoption

Critical Accounting Estimates, Judgments and Assumptions

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting estimates:

Intangibles

Intangible assets are stated at cost less accumulated amortization. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization periods and the amortization methods for an intangible asset with a finite useful live are reviewed at least at the end of each reporting period. Changes in the expected useful lives or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the remaining amortization periods or methods, as appropriate, and are treated as changes in accounting estimates.

Inventory

Inventory is recorded at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

All inventories are periodically reviewed for impairment due to slow-moving and obsolete inventory. The provisions for obsolete, slow-moving or defective inventories are recognized in profit or loss. Previous write-downs to net realizable value are reversed to the extent there is a subsequent increase in the net realizable value of the inventories.

Foreign Currency

In accordance with IAS 21, "The Effects of Changes in Foreign Exchange Rates," management determined the functional currency of the Company based on the currency of the primary economic environment in which the Company operates. These financial statements are presented in Canadian dollars, which is the functional and presentation currency of the Company and its subsidiaries.

Foreign currency transactions are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the period end rate of exchange. Foreign exchange gains and losses resulting from such translations are recognized in profit or loss.

Research and development expenditure

Expenditures on research activities are recognized as expenses in the period in which they are incurred.

Share-based compensation

The cost of equity-settled transactions with employees are measured at the fair value of the equity instruments granted in exchange for the rendering of services on the grant date. The fair value is determined based on market prices if available, taking into account terms and conditions upon which the equity instruments are granted. If market prices are not available, an acceptable option pricing model is used to determine fair value.

As for other service providers, the cost of the transactions is measured at the fair value of the goods or services received as consideration for equity instruments. In cases where the fair value of the goods or services received as consideration for equity instruments cannot be reliably measured, they are measured by reference to the fair value of the equity instruments granted.

The cost of equity-settled transactions is recognized in profit or loss, together with a corresponding increase in equity, during the period in which the performance and/or service conditions are satisfied, ending on the date on which the relevant party become fully entitled to the award (the "vesting period"). The cumulative expense recognized for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The expense or income recognized in profit or loss represents the change between the cumulative expense recognized at the end of the reporting period and the cumulative expense recognized at the end of the previous reporting period.

Where vesting is conditional upon a market condition, an expense is recognized over the vesting period irrespective of whether the market condition is satisfied, provided that all other vesting conditions (service and/or performance) are satisfied.

The fair value of stock options is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Warrants

The Company follows the relative fair value method with respect to the measurement of Common Shares and warrants issued as units. The proceeds from the issuance of units are allocated between share capital and warrants. The warrant component is recorded in equity reserve. Unit proceeds are allocated to Common Shares and warrants using the Black-Scholes option pricing model and the share price at the time of financing. If and when the warrants are exercised, consideration paid by the warrant holder, together with the amount previously recognized in warrant reserve, is recorded as an increase to share capital.

Deferred tax assets and liabilities

The measurement of a deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful operations of the Company. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future tax provisions or recoveries could be affected.

Valuation of Investments

The Company recognizes its investments at fair value. The basis in determining fair value is market prices from independent sources, if available. If there is no market price, then the fair value is determined using level 3 inputs which involve considerable estimates as the inputs used to value these financial instruments are based on unobservable market data. These level 3 inputs may include assessing the discounted cash flows of the investee, determining the net book value of the investee in comparison to the Company's cost of investment and reviewing the price-per-share of recently completed financings of the investee.

New accounting standards and interpretations not yet adopted

The Company's significant accounting policies are set out in note 3 of the Financial Statements. This MD&A should be read in conjunction with the Financial Statements. Other accounting standards or amendments to existing accounting standards that have been issued, but have future effective dates, are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Outstanding Share Data

The Company's shares are listed on the CSE under MCUR and as at August 31, 2021, the outstanding share data was as follows:

- Authorized share capital – unlimited common shares, with no par value.
- 93,755,088 common shares issued and outstanding.
- 10,620,000 incentive stock options outstanding
- 29,689,583 warrants outstanding

The following table summarizes the issuance, exercise and expiry of options for the period ended August 31, 2021. The weighted-average remaining life of all outstanding options is 4.2 years.

	Number of options	Weighted average exercise price
Balance, March 6 and May 31, 2020	-	$ -
Granted	10,745,000	0.41
Exercised	(255,000)	0.29
Expired	(275,000)	0.25
Balance, May 31, 2021	**10,215,000**	**0.41**
Granted	430,000	0.44
Expired	(25,000)	**0.71**
Balance, August 31, 2021	**10,620,000**	**$ 0.41**

The following table summarizes the issuance and exercise of warrants for the period ended August 31, 2021. The weighted-average remaining life of all outstanding warrants is 3.52 years.

	Number of Warrants	Weighted average exercise price
Balance, March 6 and May 31, 2020	-	$ -
Issued	30,413,091	0.71
Exercised	(683,323)	0.25
Balance, May 31, 2021	**29,729,768**	**0.72**
Exercised	(40,185)	0.25
Balance, August 31, 2021	**29,689,583**	**$ 0.72**

Subsequent Events

On June 17, 2021, AWAKN announced the successful completion of the reverse takeover and the AWAKN shares began trading on June 23, 2021. The Company was issued 200,000 AWAKN shares for the Company's investment of $500,000.

On July 26, 2021, the Company's board of directors approved a new long-term incentive plan (the "2021 Long-Term Incentive Plan") subject to, and effective upon, shareholder approval. The Company has undertaken a review of its equity compensation plans and determined additional methods of equity compensation would be beneficial to align the interests of participants with those of the Company and its shareholders. The 2021 Long-Term Incentive Plan will permit the grant of stock options, stock appreciation rights, restricted share awards, restricted share unit awards, other share-based awards, performance awards

or any other right, interest or option relating to shares or other property granted pursuant to the provisions of the 2021 Long-Term Incentive Plan to eligible participants. Upon approval of the 2021 Long-Term Incentive Plan by the shareholders of the Company, the current incentive stock option plan will immediately terminate, no new options will be granted under the current incentive stock option plan and any options issued and outstanding under the current incentive stock option plan will continue to be governed by its terms. As of the effective date of the 2021 Long-Term Incentive Plan, and subject to certain adjustment as provided in the 2021 Long-Term Incentive Plan, the maximum number of Shares issuable upon the exercise or redemption and settlement of all Awards granted under the 2021 Long-Term Incentive Plan, the current incentive stock option plan and outside these plans, shall not exceed 20% of the issued and outstanding shares of the Company at the time of granting of an award.

Risk Factors

There are a number of risk and uncertainties that could impact Company's ability to successfully execute its key strategies and may materially affect future events, performance or results, including without limitation the following risk factors discussed in greater detail below and under the heading "Risk Factors" in the Company's annual information form dated August 31, 2021, a copy of which is available on SEDAR at www.sedar.com. The occurrence of any of such risks, or other risks not presently known to the Company or that the Company currently believes are immaterial, could materially and adversely affect the Company's business or operations, investments, prospects, cash flows, results of operations or financial condition.

COVID-19 Outbreak

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has adversely affected workforces, economies, and financial markets globally. The Company has realized some negative effects on its ability to meet specific business goals and objectives, including the delivery of the Company's products to market, due to travel constraints either for raw materials and/or the moving of finished products between Canada and the United States. Although inoculations have commenced worldwide, new variants of the coronavirus and challenges in the production and distribution of the approved vaccinations continue to make it difficult for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

The Company continues to closely monitor business operations and may take further actions in response to directives of government and public health authorities or that are in the best interests of employees, customers, suppliers or other stakeholders, as necessary. These changes and any additional changes in operations in response to COVID-19 have, and could continue to, materially impact the Company's financial results and could materially impact the Company's ability to access capital on acceptable terms or at all.

The spread of COVID-19 has caused an economic slowdown and increased volatility in financial markets, which may have negatively impacted the market price for the Company's Common Shares. Governments and central banks have responded with monetary and fiscal interventions intended to stabilize economic conditions. However, it is not currently known how these interventions will impact debt and equity markets or the economy generally.

Limited Operating History

The Company has a very limited history of operations and is considered a start-up company. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of its success must be considered uncertain in light of its early stage of operations.

Negative Operating Cash Flow

Although the Company expects to become profitable, there is no guarantee that will happen, and the Company may never become profitable. The Company currently has a negative operating cash flow and may continue to have that for the foreseeable future. To date, the Company has not generated any revenues and it does expect significant capital investment will be required to begin earning revenue. As a result, the Company expects its net losses from operations to worsen. The Company's ability to generate additional revenues and potential to become profitable will depend largely on its ability to manufacture and market its products and services. There can be no assurance that any such events will occur or that the Company will ever become profitable. Even if the Company does achieve profitability, it cannot predict the level of such profitability. If the Company sustains losses over an extended period of time, it may be unable to continue its business.

Additional Financing

The Company has no source of operating cash flow to fund all of its operational needs and will require significant additional financing to continue its operations. There can be no assurance that such financing will be available at all or on favourable terms. Failure to obtain such additional financing could result in delay or indefinite postponement of the Company's deployment of its products. Additional financing may dilute the ownership interest of the Company's shareholders at the time of the financing and may dilute the value of their investment.

Uncertainty of Additional Capital

The Company anticipates expending substantial funds to carry out the development, introduction, distribution and manufacture of its products. The Company will require additional funds for these purposes through one or more public or private equity financings, by taking on debt financing, or from other sources. No assurance can be given that such additional funds will be available on acceptable terms or at all. If such funds are unavailable or are only available at a prohibitive cost, the Company may have to significantly curtail its product development program or seek funds through financing alternatives that may require the Company to sell its rights to certain products or certain marketing territories. Any additional equity financing may result in dilution to existing shareholders.

The Company's actual financial position and results of operations may differ materially from the expectations of the Company's management

The Company's actual financial position and results of operations may differ materially from management's expectations. The Company has experienced some changes in its operating plans and certain delays in its plans. As a result, the Company's revenue, net income and cash flow may differ materially from the Company's projected revenue, net income and cash flow. The process for estimating the Company's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Company's financial condition or results of operations and cash flows.

Uncertainty of Revenue Growth

There can be no assurance that the Company can generate revenue growth, or that any revenue growth that is achieved can be sustained. Revenue growth that the Company may achieve may not be indicative of future operating results. In addition, the Company may increase further its operating expenses in order to fund higher levels of research and development, increase its sales and marketing efforts and increase its administrative resources in anticipation of future growth. To the extent that increases in such expenses

precede or are not subsequently followed by increased revenues, the Company's business, operating results and financial condition and cash flows will be materially adversely affected.

Regulation

The Company's products will likely be subject to numerous federal, provincial, state and local legislation and measures relating to the manufacture of products for human consumption. There can be no assurance that the Company will not experience difficulties with its efforts to comply with applicable regulations as they change in the future or that its continued compliance efforts (or failure to comply with applicable requirements) will not have a material adverse effect on the Company's results of operations, business, prospects, cash flows and financial condition.

Product Liability Claims

The Company may be required to pay for losses or injuries purportedly or actually caused by its products. In the event that the Company's products are found to cause any injury or damage, the Company will be subject to substantial liability. This liability may exceed the funds available by the Company and result in the failure of its business.

The Common Shares involve a certain degree of risk. Any person currently holding or considering the purchase of Common Shares or any other securities of the Company that may be offered or that are issued and outstanding from time to time, should be aware of these and other factors set forth in the Company's short form prospectus dated February 3, 2021 and should consult with his or her legal, tax and financial advisors prior to making an investment in the Common Shares or any other securities of the Company that may be offered or that are issued and outstanding from time to time. The Common Shares and any other securities of the Company that may be offered or that are issued and outstanding from time to time should only be purchased by persons who can afford to lose all of their investment.

A more complete discussion of the risks and uncertainties facing the Company is disclosed in the Company's continuous disclosure filings with Canadian securities regulatory authorities at www.sedar.com.

Legal Proceedings

There are no legal proceedings, current or pending, to which the Company is a party or to which any of its assets are subject.

Appointment of Auditor

Davidson & Co LLP, Vancouver, BC, Canada was appointed as the Company's auditor on April 29, 2020.

Disclosure Controls and Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the Financial Statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the Financial Statements and (ii) the Financial Statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Interim Filings ("**NI 52-109**"), the certificate required for venture issuers (as such

term is defined in NI 52-109) does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with the Company's IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate required pursuant to NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Approval and Further Information

The Board of Directors of the Company has approved the disclosure contained in this MD&A. Additional information relating to the Company is available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.