MIND CURE HEALTH INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian Dollars)

For the three and six months ended November 30, 2021

MIND CURE HEALTH INC.

Condensed Consolidated Interim Statements of Financial Position

As at November 30, 2021 and May 31, 2021

(Unaudited - Expressed in Canadian dollars)

	Notes		November 30, 2021		May 31,2021
ASSETS					
CURRENT					
Cash and cash equivalents		$	13,404,227	$	18,281,343
Accounts receivable			33,921		85,738
Inventory	4		-		186,478
Prepaid expenses	5		499,167		459,192
			13,937,315		19,012,751
NON-CURRENT ASSETS					
Equipment	7		20,804		2,053
Deposits	6, 9		-		500,000
Intangible assets	8		1,957,372		548,736
Investments	9		1,821,500		1,237,500
TOTAL ASSETS		$	17,736,991	$	21,301,040
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities	10, 11	$	2,348,931	$	697,383
TOTAL LIABILITIES			2,348,931		697,383
SHAREHOLDERS' EQUITY					
Share capital	13		27,472,817		27,383,873
Reserves	13		3,973,816		3,472,035
Deficit			(16,058,573)		(10,252,251)
TOTAL SHAREHOLDERS' EQUITY			15,388,060		20,603,657
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		$	17,736,991	$	21,301,040

Nature and continuance of operations (note 1)

Contracts and commitments (note 12)

Subsequent event (note 15)

Approved on behalf of the Board:

"Kelsey Ramsden"	*"Philip Tapley"*
Chief Executive Officer/Director	**Director**

The accompanying notes are an integral part of these condensed consolidated interim financial statements

MIND CURE HEALTH INC.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian dollars)

	Notes	For the three months ended November 30, 2021	For the three months ended November 30, 2020	For the six months ended November 30, 2021	For the six months ended November 30, 2020
EXPENSES					
Advertising and promotion		104,151	$ 6,384	$ 193,401	$ 6,985
Amortization Expense	7	3,451	-	5,178	-
Bank charges		2,092	-	4,439	-
Business development		399,482	-	399,482	-
Write down of inventory	4	-	-	182,435	-
Consulting fees and employee payroll		941,145	496,626	1,947,445	512,665
Insurance		41,161	15,740	81,494	15,740
Investor relations and marketing		491,845	570,942	705,175	573,911
Licensing fees		102,976	-	181,287	-
Transfer agent and filing fees		42,918	74,870	61,641	89,452
Directors and management fees	11	500,086	110,000	1,012,735	118,500
Office and general		170,841	7,555	239,623	11,101
Professional fees		176,533	208,691	348,285	249,148
Research expenses		5,009	-	48,253	-
Share-based payments	11	171,344	822,766	513,746	1,059,566
Travel		23,966	-	29,761	-
LOSS BEFORE THE FOLLOWING:		$ (3,177,000)	$ (2,313,574)	$ (5,954,380)	$ (2,637,068)
Interest earned		23,641	-	50,353	-
Foreign exchange gain or (loss)		(1,193)	13,203	13,705	13,085
Gain on investment	9	204,000	-	84,000	-
LOSS AND COMPREHENSIVE LOSS, for the period		$ (2,950,552)	$ (2,300,371)	$ (5,806,322)	$ (2,623,983)
Loss per share, basic and diluted		$ (0.03)	$ (0.07)	$ (0.06)	$ (0.08)
Weighted average number of shares outstanding, basic and diluted		93,889,278	31,203,114	93,801,664	31,203,114

The accompanying notes are an integral part of these condensed consolidated interim financial statements

MIND CURE HEALTH INC.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian dollars)

	Share Capital							
	Shares	**Amount**	**Warrants Reserve**	**Options Reserve**	**Deferred Stock Units Reserve**	**Contributed Surplus**	**Deficit**	**Total Shareholders' Equity**
Balance, May 31, 2020	30,270,000	$ 827,129	$ -	$ -	$ -	$ 1,699	$ (78,903)	$ 749,925
Reclassification of contributed surplus	-	1,699	-	-	-	(1,699)	-	-
Issuance of shares pursuant to initial public offering	14,950,000	2,990,000	-	-	-	-	-	2,990,000
Issuance of shares to employees and contractors	146,000	116,800	-	-	-	-	-	116,800
Issuance of shares pursant to private placement	8,000,000	3,600,000	-	-	-	-	-	3,600,000
Share issuance costs	-	(629,440)	-	-	-	-	-	(629,440)
Finders' warrants issued	-	(112,424)	112,424	-	-	-	-	-
Issuance of shares pursant to exercise of warrants	56,596	19,469	(5,320)	-	-	-	-	14,149
Share-based payments	-	-	-	1,059,566	-	-	-	1,059,566
Loss and comprehensive loss for the period	-	-	-	-	-	-	(2,623,983)	(2,623,983)
Balance, November 30, 2020	53,422,596	6,813,233	107,104	1,059,566	-	-	(2,702,886)	5,277,017
Issuance of shares to employees and contractors	18,300	10,980	-	-	-	-	-	10,980
Issuance of shares pursuant to bought deal financing	38,542,433	23,125,460	-	-	-	-	-	23,125,460
Share issuance costs	-	(2,099,544)	-	-	-	-	-	(2,099,544)
Finders' warrants issued	-	(1,162,373)	1,162,373	-	-	-	-	-
Issuance of shares pursant to exercise of warrants	626,727	216,735	(58,678)	-	-	-	-	158,057
Issuance of shares pursant to exercise of options	255,000	129,382	-	(54,982)	-	-	-	74,400
Issuance of shares pursant to investment agreement	796,541	350,000	-	-	-	-	-	350,000
Share-based payments	-	-	-	1,256,652	-	-	-	1,256,652
Loss and comprehensive loss for the year	-	-	-	-	-	-	(7,549,365)	(7,549,365)
Balance, May 31, 2021	93,661,597	27,383,873	1,210,799	2,261,236	-	-	(10,252,251)	20,603,657
Issuance of shares to employees and contractors	149,220	55,868	-	-	-	-	-	55,868
Issuance of shares pursant to exercise of warrants	40,185	13,823	(3,777)	-	-	-	-	10,046
Issuance of shares pursant to exercise of options	55,325	19,253	-	(8,188)	-	-	-	11,065
Share-based payments	-	-	-	401,246	112,500	-	-	513,746
Loss and comprehensive loss for the year	-	-	-	-	-	-	(5,806,322)	(5,806,322)
Balance, November 30, 2021	**93,906,327**	**$ 27,472,817**	**$ 1,207,022**	**$ 2,654,294**	**$ 112,500**	**$ -**	**$ (16,058,573)**	**$ 15,388,060**

The accompanying notes are an integral part of these condensed consolidated interim financial statements

MIND CURE HEALTH INC.
Condensed Consolidated Interim Statements of Cash Flow
(Unaudited - Expressed in Canadian dollars)

		For the six months ended November 30, 2021		For the six months ended November 30, 2020
OPERATING ACTIVITIES				
Loss for the period	$	(5,806,322)	$	(2,623,983)
Items not involving cash:				
Amortization		5,178		-
Share-based payments		513,746		1,059,566
Gain on investment		(84,000)		-
Issuance of shares to employees and contractors		55,868		116,800
Write down of inventory		182,435		-
		(5,133,095)		(1,447,617)
Change in non-cash working capital items:				
Accounts receivable		51,817		(54,394)
Share subscription receivables		-		(4,657)
Prepaid expenses and deposits		(39,975)		(128,019)
Accounts payable and accrued liabilities		590,345		491,709
Inventory		4,043		(67,801)
Net cash used in operating activities	$	(4,526,865)	$	(1,210,779)
INVESTING ACTIVITIES				
Equipment		(23,929)		-
Intangible assets		(347,433)		(9,152)
Net cash used in investing activities	$	(371,362)	$	(9,152)
FINANCING ACTIVITIES				
Issuance of shares for IPO		-		2,990,000
Issuance of shares pursuant to private placement		-		3,600,000
Share issuance costs		-		(629,440)
Issuance of shares pursuant to warrants exercised		10,046		14,149
Issuance of shares pursuant to options exercised		11,065		-
Net cash from financing activities	$	21,111	$	5,974,709
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$	(4,877,116)	$	4,754,778
CASH AND CASH EQUIVALENTS, beginning of the period		18,281,343		609,634
CASH AND CASH EQUIVALENTS, end of the period	$	13,404,227	$	5,364,412
Supplemental cash flow disclosures				
Non-cash activities				
Foreign exchange on subscriptions			$	1,699
Fair value of finder's warrants issued in connection with IPO			$	112,424
Transfer of fair value of warrants exercised	$	3,777	$	5,320
Transfer of fair value of options exercised	$	8,188	$	-
Intangible asset included in accounts payable and accrued liabilities	$	1,061,203	$	-
Transfer of deposit to investments	$	500,000	$	-
Cash paid for				
Interest	$	-	$	-
Income taxes	$	-	$	-
Cash and cash equivalents				
Cash	$	2,318,255	$	-
Cash equivalent	$	11,085,972	$	-

The accompanying notes are an integral part of these condensed consolidated interim financial statements

1. Nature and continuance of operations

Mind Cure Health Inc. ("MINDCURE" or the "Company") was incorporated on March 6, 2020, pursuant to the Business Corporations Act of British Columbia, Canada. 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.

The Company's head office is located at 422 Richards Street, Suite 170, Vancouver, BC V6B 2Z4, and its registered office is located at 2500 – 700 West Georgia Street, Vancouver, British Columbia V7Y 1B3.

On August 3, 2020, a wholly owned subsidiary, Mind Cure Health (US) Inc. (the "Subsidiary") was incorporated in the State of Nevada.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company is in the development stage and currently has no sources of cash from operations. Management estimates that the Company will be able to meet its obligations and to sustain operations for at least the next twelve months.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company has begun to realize some negative effects on its ability to meet specific business goals and objectives, especially as related to 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, vaccinations have been approved and 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.

These consolidated financial statements were approved and authorized for issue by the Board of Directors on January 25, 2022.

2. Basis of presentation and statement of compliance

Basis of Presentation

The Company prepares its condensed consolidated interim financial statements in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34"), under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretation of the International Reporting Interpretations Committee. These should be read in conjunction with the Company's annual audited consolidated financial statements as at and for the year ended May 31, 2021 ("annual financial statements"). The accounting policies and critical estimates and judgements applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company's annual financial statements, unless otherwise stated.

These condensed consolidated interim financial statements of the Company have been prepared on an accrual basis except cashflow information and are based on historical cost, except for financial instruments measured at fair value. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise noted.

2. Basis of presentation and statement of compliance (cont'd)

Principles of consolidation

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiary are included in these condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

These condensed consolidated interim financial statements include accounts of the Company and the following subsidiary:

Name of subsidiary	Country of incorporation	Percentage ownership
Mind Cure Health (US) Inc.	United States	100%

3. Critical Accounting Estimates, Judgments and Assumptions

The preparation of condensed consolidated interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

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:

The assessment of indications of impairment of intangible assets:

Management has determined that intangible asset costs which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including anticipated cash flows and estimated economic life.

Share-based payments

Share-based payments expense is measured by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

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.

(Expressed in Canadian Dollars)

3. Significant accounting policies (cont'd)

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventory includes cost of purchase (purchase price, import duties, transport, handling, and other costs directly attributable to the acquisition of inventories), and other costs incurred in bringing the inventories to their present location and condition. Net realizable value for inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provisions are made in profit or loss in the period for any difference between book value and net realizable value.

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.

4. Inventory

		November 30, 2021		May 31, 2021
Finished Goods	$	-	**$**	186,478
	$	**-**	**$**	**186,478**

During the period ended November 30, 2021, the Company determined that the net realizable value of its nootropic inventory of functional mushrooms and supplement products had no value as there are no prospective purchasers resulting in a write down to $nil.

5. Prepaid expenses

		November 30, 2021		May 31, 2021
Insurance	$	163,900	$	65,974
License Agreements		70,548		176,369
Vendor Deposits		82,616		132,330
Other month-to-month prepayments		182,103		84,519
	$	**499,167**	$	**459,192**

6. Deposits

On May 20, 2021, the Company deposited $500,000, in trust, for a subscription to a private placement for 200,000 common shares of Awakn Life Sciences Inc. ("AWAKN") a biotechnology company with clinical operations, researching, developing, and delivering psychedelic medicine. On June 17, 2021, AWAKN announced the successful completion of a reverse takeover and the AWAKN shares began trading on June 23, 2021 on the NEO Exchange ("NEO"). The Company was issued 200,000 AWAKN shares for the Company's investment of $500,000 (note 9).

(Expressed in Canadian Dollars)

7. Equipment

Cost		**Equipment**
Balance, May 31, 2021	$	2,053
Additions		23,929
Balance, November 30, 2021		**25,982**

Accumulated Amortization		**Equipment**
Balance, May 31, 2021	$	-
Additions		5,178
Balance, November 30, 2021		**5,178**

Net carrying amounts		**Equipment**
Balance, May 31, 2021	$	2,053
Balance, November 30, 2021	**$**	**20,804**

8. Intangible assets

Cost		**iSTRYM Digital Therapeutic SaaS Platform**
Balance, May 31, 2021	$	548,736
Additions		1,408,636
Balance, November 30, 2021	**$**	**1,957,372**

Accumulated Amortization	**iSTRYM Digital Therapeutic SaaS Platform**
Balance, May 31, 2021	**-**
Additions	**-**
Balance, November 30, 2021	**-**

Net carrying amounts	**iSTRYM Digital Therapeutic SaaS Platform**
Balance, May 31, 2021	548,736
Balance, November 30, 2021	**1,957,372**

(Expressed in Canadian Dollars)

8. Intangible assets (cont'd)

During the six months ended November 30, 2021, the Company incurred development costs of $1,408,636 (for the year ended May 31, 2021 - $548,736) for the iSTRYM Digital Therapeutic SaaS Platform ("iSTRYM"), a digital therapeutic tool, designed to provide close to real-time data regarding patient care, procedures, and protocols. Amortization was not recorded as at November 30, 2021 (May 31, 2021 – nil), as iSTRYM was not ready for use.

During the year ended May 31, 2021, the Company entered into a license agreement with a third-party company that is assisting the Company with the development of iSTRYM. The license allows the Company to use the developer's infrastructure to deploy iSTRYM. The license is in effect until March 2024, and automatically renews for additional terms of one year unless either party elects not to renew it.

9. Investments

Investment	ATMA	AWAKN	Total
Balance, May 31, 2021	$ 1,237,500	$ -	$ 1,237,500
Additions	-	500,000	500,000
Fair market value adjustment	-	84,000	84,000
Balance, November 30, 2021	**$ 1,237,500**	**$ 584,000**	**$ 1,821,500**

As at November 30, 2021, the fair market value of the ATMA investment was $1,237,500 (May 31, 2021 - $1,237,500).

On June 16, 2021, the Company received 200,000 AWAKN shares valued at $2.50 per share for a total subscription price of $500,000. On November 30, 2021, the closing price of AWAKN shares on the NEO Exchange was $2.92 per share and the Company recognized an adjustment of $0.42 per share, totaling $84,000 resulting in an adjusted fair market value of $584,000.

10. Accounts payable and accrued liabilities

	30-Nov-21	31-May-21
Accounts payable and accrued liabilities	$ 2,272,041	$ 674,494
Due to related parties (note 11)	76,890	22,889
Total Accounts payables and accrued liabilities	**2,348,931**	**697,383**

11. 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. The following table summarizes the remuneration of key management personnel:

(Expressed in Canadian Dollars)

11. Related party transactions (cont'd)

		For the six months ended November 30, 2021		For the six months ended November 30, 2020
Officer and director remuneration	$	673,830	$	91,500
Management Fees		138,750		118,500
Share-based payments		213,487		683,620
	$	**1,026,067**	**$**	**893,620**

Included in the accounts payable and accrued liabilities (note 10) as of November 30, 2021, is a total amount due to related parties of $76,890 (May 31, 2021 - $22,889).

The above transactions are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to related parties are unsecured, non-interest bearing and have no fixed term of repayment.

Share-based payment for directors represent the costs of directors' grants under the Company's Long Term Incentive Plan.

12. Contracts and commitments

In December 2021, the company entered into a license and support agreement with Oracle Netsuite, at a cost of $64,110 annually, which will be billed quarterly. The professional services cost for set-up and implementation of Oracle Netsuite is a one-time cost of $28,900.

13. Share capital

Authorized share capital

The authorized share capital of the Company is comprised of an unlimited number of common shares without par value and an unlimited number of preferred shares issuable in series.

Issued share capital

As at November 30, 2021, 93,906,327 common shares were issued and outstanding (May 31, 2021 - 93,661,597) and no preferred shares were outstanding (May 31, 2021 – nil).

On June 7, 2021, the Company issued 28,620 common shares of the Company at a price of $0.38 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 July 5, 2021, the Company issued 24,686 common shares of the Company at a price of $0.45 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 September 3, 2021, the Company issued 59,296 common shares of the Company at a price of $0.38 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 October 6, 2021, the Company issued 36,618 common shares of the Company at a price of $0.31 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 six months ended November 30, 2021, a total of 40,185 warrants (May 31, 2021 – 683,323) were exercised for proceeds of $10,046 (May 31, 2021 - $172,206). The Company reallocated $3,777 (May 31, 2021 - $63,998) from warrants reserve to share capital that was associated with the warrants that were exercised.

(Expressed in Canadian Dollars)

13. Share capital (cont'd)

During the six months ended November 30, 2021, a total of 55,325 options (May 31, 2021 – 255,000) were exercised at $0.20 per share for proceeds of $11,065 (May 31, 2021 - $74,400). The Company reallocated $8,188 (May 31, 2021 - $54,982) from options reserve to share capital that was associated with the options that were exercised.

As at November 30, 2021, 1,800,000 common shares (May 31, 2021, 2,250,000) were held in escrow and will be released, in accordance with the Company's escrow agreement, as follows:

March 17, 2022	1/4 of the remaining escrow securities
September 17, 2022	1/3 of the remaining escrow securities
March 17, 2023	1/2 of the remaining escrow securities
September 17, 2023	the remaining escrow securities

Options

As at November 30, 2021, the total outstanding options were 9,837,500 (May 31, 2021 – 10,215,000).

	Number of options	Weighted average exercise price
Balance May 31, 2020	-	$ -
Options 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**
Options granted	550,000	$0.41
Exercised	(55,325)	0.20
Expired	(872,175)	0.54
Balance, November 30, 2021	**9,837,500**	**$0.41**
Exercisable, November 30, 2021	**7,755,000**	**$0.26**

(Expressed in Canadian Dollars)

13. Share capital (cont'd)

Options (cont'd)

Grant Date	Expiry Date	Options Outstanding	Exercisable Options	Exercise Price
Jun-10-2020	Jun-10-2025	1,025,000	1,025,000	0.20
Sep-20-2020	Sep-20-2025	4,175,000	3,475,000	0.25
Oct-14-2020	Oct-14-2025	200,000	200,000	0.79
Nov-30-2020	Nov-30-2025	500,000	500,000	0.63
Dec-7-2020	Dec-7-2025	200,000	125,000	0.65
Feb-10-2021	Feb-10-2025	85,000	80,000	0.74
Feb-12-2021	Feb-12-2025	800,000	800,000	0.63
Feb-16-2021	Feb-16-2026	200,000	200,000	0.63
Feb-18-2021	Feb-18-2026	250,000	250,000	0.60
Mar-15-2021	Mar-15-2026	475,000	112,500	0.60
Mar-29-2021	Mar-29-2026	400,000	100,000	0.60
Apr-12-2021	Apr-12-2026	10,000	2,500	0.60
Apr-16-2021	Apr-16-2026	250,000	250,000	0.60
Apr-19-2021	Apr-19-2026	350,000	87,500	0.60
Apr-26-2021	Apr-26-2026	12,500	12,500	0.60
May-1-2021	May-1-2026	5,000	5,000	0.60
May-10-2021	May-10-2026	250,000	250,000	0.38
May-17-2021	May-17-2026	100,000	25,000	0.60
May-25-2021	May-25-2026	10,000	10,000	0.38
Jun-9-2021	Jun-9-2026	100,000	100,000	0.39
Jun-25-2021	Jun-25-2026	250,000	125,000	0.47
Jul-26-2021	Jul-26-2026	30,000	20,000	0.43
Jul-28-2021	Jul-28-2026	15,000	-	0.43
Jul-29-2021	Jul-29-2026	10,000	-	0.42
Aug-3-2021	Aug-3-2026	25,000	-	0.41
Sep-27-2021	Sep-27-2026	10,000	-	0.34
Oct-1-2021	Oct-1-2026	10,000	-	0.33
Oct-18-2021	Oct-18-2026	50,000	-	0.30
Nov-1-2021	Nov-1-2026	30,000	-	0.33
Nov-17-2021	Nov-17-2026	10,000	-	0.29
		9,837,500	7,755,000	0.41

As at November 30, 2021, the weighted-average remaining life of the outstanding options was 4 years.

(Expressed in Canadian Dollars)

13. Share capital (cont'd)

Options (cont'd)

The fair value of the options granted during the six months ended November 30, 2021 was determined using the following weighted average Black-Scholes Option Pricing model assumptions:

	November 30, 2021	November 30, 2020
Share price	$0.41	$0.20
Exercise price	$0.41	$0.25
Fair value	$0.32	
Expected life	5.0 years	2.0 years
Volatility	110%	100%
Risk-free interest Rate	0.06%	0.26%

During the six months ended November 30, 2021, the Company recorded $401,247 (2020 – $1,059,566) in share-based payments in relation to the options vested.

Warrants

As at November 30, 2021, the total outstanding warrants were 29,689,583 (May 31, 2021 – 29,729,768).

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

	Expiry Date	Warrants	Exercise Price	Remaining life
Finders' warrants	September 17, 2022	474,992	0.25	1.05
Private placement	November 19, 2022	8,000,000	0.60	1.22
Bought deal short form prospectus	February 10, 2026	19,164,550	0.80	4.45
Finders' warrants	February 10, 2026	2,050,041	0.60	4.45

As at November 30, 2021, the weighted-average remaining life of the outstanding warrants was 3.28 years.

During the six months ended November 30, 2021, no warrants were issued by the Company (2020 - 1,196,000).

Deferred Share Units

As at November 30, 2021, the total outstanding deferred share units ("DSUs") were 365,392 (May 31, 2021 – nil)

(Expressed in Canadian Dollars)

13. Share capital (cont'd)

Deferred Share Units (cont'd)

	Number of DSUs	Weighted average price
DSUs outstanding at May 31, 2021	-	$ -
DSUs granted	365,392	$ 0.31
DSUs outstanding at November 30, 2021	365,392	$ 0.31

The Company recognized an expense of $112,500 in the six months ended November 30, 2021 (May 31, 2021 – nil) within the share-based payments.

14. Segmented Information

The Company's operations are currently located in a single geographical location in North America, specifically Canada. As of November 30, 2021, all long-lived assets were located in Canada.

15. Subsequent Event

Subsequent to November 30, 2021, 820,000 options were granted to certain employees and consultants with exercise prices between $0.195 per share and $0.215 per share, exercisable for a term of 5 years.