MINDCURE

MIND CURE HEALTH INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian Dollars)

For the three and nine months ended February 28, 2022

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a) the accompanying unaudited condensed consolidated interim financial statements of Mind Cure Health Inc. for the three and nine months ended February 28, 2022 have been prepared by and are the responsibility of management in accordance with International Financial Reporting Standards applicable to unaudited condensed consolidated interim financial reporting.

The Company's independent auditor has not audited or performed a review of these unaudited condensed consolidated interim financial statements, in accordance with standards established by the Canadian Institute of Chartered Accountant for a review of unaudited condensed interim financial statements by an entity's auditor.

MIND CURE HEALTH INC.
Condensed Consolidated Interim Statements of Financial Position
As at February 28, 2022 and May 31, 2021
(Unaudited - Expressed in Canadian dollars)

	Notes	February 28, 2022	May 31,2021
ASSETS			
CURRENT			
Cash and cash equivalents		$ 10,858,578	$ 18,281,343
Accounts receivable		32,827	85,738
Inventory	4	-	186,478
Prepaid expenses	5	220,688	459,192
		11,112,093	19,012,751
NON-CURRENT ASSETS			
Equipment	7	26,028	2,053
Deposits	6, 9	-	500,000
Intangible assets	8	2,479,103	548,736
Investments	9	1,143,917	1,237,500
TOTAL ASSETS		$ 14,761,141	$ 21,301,040
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	10, 11	$ 2,320,776	$ 697,383
TOTAL LIABILITIES		2,320,776	697,383
SHAREHOLDERS' EQUITY			
Share capital	13	27,472,817	27,383,873
Reserves	13	4,145,101	3,472,035
Deficit		(19,177,553)	(10,252,251)
TOTAL SHAREHOLDERS' EQUITY		12,440,365	20,603,657
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		$ 14,761,141	$ 21,301,040

Nature and continuance of operations (note 1)
Contracts and commitments (note 12)
Subsequent events (note 15)

Approved on behalf of the Board:

"Philip Tapley"	*"Robert Hill"*
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 February 28, 2022**	For the three months ended February 28, 2021	**For the nine months ended February 28, 2022**	For the nine months ended February 28, 2021
EXPENSES					
Advertising and promotion		56,621	$ 62,513	$ 250,022	$ 69,498
Amortization Expense	7	4,301	-	9,478	-
AGM Expenses		-	-	-	-
Bad Debt		-	-	-	
Bank charges		1,160	-	5,599	-
Business development		-	55,147	399,482	55,147
Write down of inventory	4	-	-	182,435	-
Consulting fees and employee payroll		933,417	662,991	2,880,862	1,175,656
Insurance		43,260	39,993	124,754	55,733
Investor relations and marketing		425,051	910,415	1,130,226	1,484,326
Licensing fees		70,016	-	251,303	-
Transfer agent and filing fees		31,199	14,680	92,840	104,132
Directors and management fees	11	570,091	395,578	1,582,826	514,078
Office and general		96,565	10,485	336,188	21,586
Professional fees		40,869	308,718	389,154	557,866
Repair & Maintenance		-	-	-	-
Rent		-	-	-	-
Research expenses		-	-	48,253	-
Share-based payments	11	171,285	822,686	685,031	1,882,252
Telephone & Utilities		-	-	-	-
Travel		16,669	-	46,430	-
Utilities		-	-	-	-
Total expenses		2,460,504	3,283,206	8,414,883	5,920,274
LOSS BEFORE THE FOLLOWING:		$ (2,460,504)	$ (3,283,206)	$ (8,414,883)	$ (5,920,274)
Interest earned		20,274	6,148	70,627	6,148
Foreign exchange gain or (loss)		(1,168)	44,843	12,537	57,928
Gain or (loss) on investment	9	(677,583)	-	(593,583)	-
LOSS AND COMPREHENSIVE LOSS, for the period		$ (3,118,981)	$ (3,232,215)	$ (8,925,302)	$ (5,856,198)
Loss per share, basic and diluted		$ (0.03)	$ (0.05)	$ (0.10)	$ (0.13)
Weighted average number of shares outstanding, basic and diluted		93,906,327	61,542,696	93,836,168	44,996,575

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, June 1, 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
Issuance of shares pursuant to bought deal financing	38,542,433	23,125,460	-	-	-	-	-	23,125,460
Share issuance costs	-	(2,728,984)	-	-	-	-	-	(2,728,984)
Finders' warrants issued	-	(1,274,797)	1,274,797	-	-	-	-	-
Issuance of shares pursant to exercise of warrants	551,763	189,807	(51,866)	-	-	-	-	137,941
Issuance of shares pursant to exercise of options	180,000	103,282	-	(43,882)	-	-	-	59,400
Share-based payments	-	-	-	1,882,252	-	-	-	1,882,252
Loss and comprehensive loss for the period	-	-	-	-	-	-	(5,856,198)	(5,856,198)
Balance, February 28, 2021	92,640,196	26,950,396	1,222,931	1,838,370	-	-	(5,935,101)	24,076,596
Issuance of shares to employees and contractors	18,300	10,980	-	-	-	-	-	10,980
Issuance of shares pursant to exercise of warrants	131,560	46,397	(12,132)	-	-	-	-	34,265
Issuance of shares pursant to exercise of options	75,000	26,100	-	(11,100)	-	-	-	15,000
Issuance of shares pursant to investment agreement	796,541	350,000	-	-	-	-	-	350,000
Share-based payments	-	-	-	433,966	-	-	-	433,966
Loss and comprehensive loss for the year	-	-	-	-	-	-	(4,317,150)	(4,317,150)
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	-	-	-	510,031	175,000	-	-	685,031
Loss and comprehensive loss for the year	-	-	-	-	-	-	(8,925,302)	(8,925,302)
Balance, February 28, 2022	**93,906,327**	**$ 27,472,817**	**$ 1,207,022**	**$ 2,763,079**	**$ 175,000**	**$ -**	**$ (19,177,553)**	**$ 12,440,365**

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 nine months ended February 28, 2022	For the nine months ended February 28, 2021
OPERATING ACTIVITIES		
Loss for the period	$ (8,925,302)	$ (5,856,198)
Items not involving cash:		
Amortization	9,478	-
Share-based payments	685,031	1,882,252
Loss on investment	593,583	-
Issuance of shares to employees and contractors	55,868	116,800
Write down of inventory	182,435	-
	(7,398,907)	(3,857,146)
Change in non-cash working capital items:		
Accounts receivable	52,911	(178,475)
Prepaid expenses and deposits	238,504	(2,476,816)
Accounts payable and accrued liabilities	273,729	574,146
Inventory	4,043	(113,186)
Net cash used in operating activities	$ (6,829,720)	$ (6,051,477)
INVESTING ACTIVITIES		
Equipment	(33,453)	-
Intangible assets	(580,703)	(11,552)
Investments	-	(500,000)
Net cash used in investing activities	$ (614,156)	$ (511,552)
FINANCING ACTIVITIES		
Issuance of shares for IPO	-	2,990,000
Issuance of shares pursuant to private placement	-	3,600,000
Issuance of shares pursuant to bought financing	-	23,125,460
Share issuance costs	-	(2,728,984)
Issuance of shares pursuant to warrants exercised	10,046	137,941
Issuance of shares pursuant to options exercised	11,065	59,400
Net cash from financing activities	$ 21,111	$ 27,183,817
INCREASE IN CASH AND CASH EQUIVALENTS	$ (7,422,765)	$ 20,620,788
CASH AND CASH EQUIVALENTS, beginning of the period	18,281,343	609,634
CASH AND CASH EQUIVALENTS, end of the period	$ 10,858,578	$ 21,230,422
Supplemental cash flow disclosures		
Non-cash activities		
Transfer of fair value of warrants exercised	$ 3,777	$ 51,866
Transfer of fair value of options exercised	$ 8,188	$ 43,882
Share issuance costs - non-cash	$ -	$ 1,274,797
Intangible asset included in accounts payable and accrued liabilities	$ 1,516,865	$ 37,092
Transfer of deposit to investments	$ 500,000	$ -
Cash paid for		
Interest	$ -	$ -
Income taxes	$ -	$ -
Cash and cash equivalents		
Cash	$ 1,760,968	$ 21,201,672
Cash equivalent	$ 9,097,610	$ 28,750

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 April 26, 2022.

2. Basis of presentation and statement of compliance

<u>Basis of Presentation</u>

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

		February 28 ,2022		May 31, 2021
Finished Goods	$	-	$	186,478
	$	**-**	**$**	**186,478**

During the nine months ended February 28, 2022, 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

		February 28, 2022		May 31, 2021
Insurance	$	121,490	$	65,974
Licesnse Agreements		17,637		176,369
Vendor Deposits		-		132,330
Other month-to-month prepayments		81,561		84,519
	$	**220,688**	**$**	**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		34,792
Disposals		(1,579)
Balance, February 28, 2022		**35,266**

Accumulated Amortization		Equipment
Balance, May 31, 2021	$	-
Additions		9,479
Disposals		(241)
Balance, February 28, 2022		**9,238**

Net carrying amounts		Equipment
Balance, May 31, 2021	$	2,053
Balance, February 28, 2022	**$**	**26,028**

8. Intangible assets

Cost		iSTRYM Digital Therapeutic SaaS Platform
Balance, May 31, 2021	$	548,736
Additions		1,930.367
Balance, February 28, 2022	**$**	**2,479,103**

Accumulated Amortization		iSTRYM Digital Therapeutic SaaS Platform
Balance, May 31, 2021		-
Additions		-
Balance, February 28, 2022		-

Net carrying amounts		iSTRYM Digital Therapeutic SaaS Platform
Balance, May 31, 2021		548,736
Balance, February 28, 2022		**2,479,103**

(Expressed in Canadian Dollars)

8. Intangible assets (cont'd)

During the nine months ended February 28, 2022, the Company incurred development costs of $1,930,367 (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 February 28, 2022 (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

		ATMA		AWAKN		Total
Balance, May 31, 2021	$	1,237,500	$	-	$	1,237,500
Additions				500,000		500,000
Fair Market Value		(443,583)		(150,000)		(593,583)
Balance, February 28, 2022		**793,917**		**350,000**		**1,143,917**

As at February 28, 2022, the fair market value of the ATMA investment was adjusted to $793,917 (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 February 28, 2022, the closing price of AWAKN shares on the NEO Exchange was $1.75 per share and the Company recognized an adjustment of $0.75 per share, totaling $150,000 resulting in an adjusted fair market value of $350,000.

10. Accounts payable and accrued liabilities

		28-Feb-22		31-May-21
Accounts payable and accrued liabilities	$	691,809	$	674,494
Due to related parties (note 11)		1,628,967		22,889
Total Accounts payables and accrued liabilities		**2,320,776**		**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 nine months ended February 28 ,2022		For the nine months ended February 28, 2021
Officer and director remuneration	$	1,080,529	$	548,578
Management Fees		164,175		9,750
Expense reimbursement due to related parties		6,565		-
Share-based payments		377,698		-
	$	**1,628,967**	**$**	**1,706,258**

Included in the accounts payable and accrued liabilities (note 10) as of February 28, 2022, is a total amount due to related parties of $68,990 (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 February 28, 2022, 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 nine months ended February 28, 2022, 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 nine months ended February 28, 2022, 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 February 28, 2022, 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(1)
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

(1) Released from escrow subsequent to February 28, 2022.

Options

As at February 28, 2022, the total outstanding options were 10,570,000 (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	1,495,000	$0.28
Exercised	(55,325)	0.20
Expired	(1,084,675)	0.51
Balance, February 28, 2022	**10,570,000**	**$0.39**
Exercisable, February 28, 2022	**7,773,750**	**$0.39**

(Expressed in Canadian Dollars)

13. Share capital (cont'd)

Options (cont'd)

Grant Date	Expiry Date	Options Outstanding	Exercisable Options	Exercise Price
2020/06/10	2025/06/10	1,025,000	1,025,000	0.20
2020/09/20	2025/09/20	4,075,000	3,375,000	0.25
2020/10/14	2025/10/14	200,000	200,000	0.79
2020/11/30	2025/11/30	500,000	500,000	0.63
2020/12/07	2025/12/07	200,000	175,000	0.65
2021/02/10	2026/02/10	85,000	85,000	0.74
2021/02/12	2026/02/12	800,000	800,000	0.63
2021/02/16	2026/02/16	200,000	200,000	0.63
2021/02/18	2026/02/18	250,000	250,000	0.60
2021/03/15	2026/03/15	475,000	112,500	0.60
2021/03/29	2026/03/29	400,000	100,000	0.60
2021/04/12	2026/04/12	10,000	2,500	0.60
2021/04/16	2026/04/16	250,000	250,000	0.60
2021/04/19	2026/04/19	350,000	87,500	0.60
2021/05/10	2026/05/10	250,000	250,000	0.38
2021/05/17	2026/05/17	25,000	25,000	0.60
2021/05/25	2026/05/25	10,000	10,000	0.38
2021/06/09	2026/06/09	100,000	100,000	0.39
2021/06/25	2026/06/25	250,000	187,500	0.47
2021/07/26	2026/07/26	20,000	20,000	0.43
2021/07/28	2026/07/28	15,000	7,500	0.43
2021/07/29	2026/07/29	10,000	5,000	0.42
2021/08/03	2026/08/03	25,000	6,250	0.41
2021/10/01	2026/10/01	10,000	-	0.33
2021/10/18	2026/10/18	50,000	-	0.30
2021/11/01	2026/11/01	30,000	-	0.33
2021/11/17	2026/11/17	10,000	-	0.29
2021/12/08	2026/12/08	250,000	-	0.21
2021/12/14	2026/12/14	10,000	-	0.22
2021/12/15	2026/12/15	10,000	-	0.21
2022/01/03	2027/01/03	250,000	-	0.20
2022/01/10	2027/01/10	110,000	-	0.21
2022/02/01	2027/02/01	300,000	-	0.20
2022/02/15	2027/02/15	15,000	-	0.15
		10,570,000	7,773,750	0.39

As at February 28, 2022, the weighted-average remaining life of the outstanding options was 3.85 years.

(Expressed in Canadian Dollars)

13. Share capital (cont'd)

Options (cont'd)

The fair value of the options granted during the nine months ended February 28, 2022 was determined using the following weighted average Black-Scholes Option Pricing model assumptions:

	February 28, 2022	February 28, 2021
Share price	$0.28	$0.35
Exercise price	$0.28	$0.37
Fair value	$0.21	0.25
Expected life	5.0 years	4.96 years
Volatility	101%	100%
Risk-free interest Rate	1.14%	0.40%

During the nine months ended February 28, 2022, the Company recorded $510,031 (2021 – $1,882,252) in share-based payments in relation to the options vested.

Warrants

As at February 28, 2022, 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, February 28, 2022	**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 February 28, 2022, the weighted-average remaining life of the outstanding warrants was 3.03 years.

During the nine months ended February 28, 2022, no warrants were issued by the Company (2021 - 3,246,041).

Deferred Share Units

As at February 28, 2022, the total outstanding deferred share units ("DSUs") were 745,729 (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	745,729	$ 0.23
DSUs outstanding at February 28, 2022	745,729	$ 0.23

The Company recognized an expense of $175,000 in the nine months ended February 28, 2022 (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 February 28, 2022, all long-lived assets were located in Canada.

15. Subsequent Event

On March 16, 2022, the Company announced that a special committee of the Company's Board of Directors (the "Special Committee") concluded the initial phases of its previously announced strategic review process (the "Strategic Review Process"). The Special Committee determined that the additional capital required to execute the Company's business plan is unlikely to be found under the current and foreseeable market conditions and that none of the strategic alternatives available to the Company necessitated ongoing developmental expenditures. Accordingly, the Board made the decision to eliminate all expenditures outside those required to preserve the value of the Company's assets, including its public company status with Canadian securities regulators and cash and cash equivalents. Canaccord Genuity Corp. is acting as the Special Committee's financial advisor in connection with the Strategic Review Process.

The Company initiated a Company-wide workforce reduction with respect to all of its C-suite executives and employees, other than its Chief Financial Officer, Vice President of Engineering and certain administrative staff required to wind-down the Company's operations and for limited care and maintenance of the Company; and halted all non-committed expenditures related to the development and marketing work of its iSTRYM™ product, the research and development related to its synthetic ibogaine program, and the research and development related to its clinical research program focused on the treatment of female hypoactive sexual desire disorder. Mr. Philip Tapley, the Chair of the Company's board of directors, assumed the role of the Company's interim CEO.