NEURAL THERAPEUTICS INC.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2025

June 26, 2025

The following interim management's discussion and analysis ("**MD&A**") of the financial condition and results of the operations of Neural Therapeutics Inc. ("**Neural**", or the "**Company**" constitutes management's review of the factors that affected the Company's financial and operating performance for the nine months ended April 30, 2025, and 2024. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited financial statements of the Company for the year ended July 31, 2024, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board ("**IASB**"). Information contained herein is presented as of June 26, 2025, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Neural's business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. Neural expects any direct impacts of the pandemic and the military action in Ukraine, to the business to be limited; however, the indirect impacts on the economy and on the pharmaceutical industry could negatively affect the business and may make it more difficult for Neural to raise equity or debt financing. There can be no assurance that Neural will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position, and cash flows in the future.

Neural's board of directors approved the release of this MD&A on June 26, 2025.

FORWARD LOOKING INFORMATION

Certain statements and information contained herein may constitute "forward-looking statements" and "forward-looking information," respectively, under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intends", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information. The forward-looking statements are not historical facts but reflect the current expectations of management of Filament regarding future results or events and are based on information currently available to them. Certain material factors and assumptions were applied in providing these forward-looking statements.

Forward-looking statements regarding Neural are based on Neural's estimates and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of Filament to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including capital expenditures and other costs. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Neural will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws. For more information on forward-looking information, please refer to the section entitled "*Cautionary Note Regarding Forward-Looking Statements*" of this MD&A.

(Expressed in Canadian Dollars)

CORPORATE OVERVIEW

Neural Therapeutics Inc. ("**Neural**") is a drug-discovery company focusing on plant-based active substances with the goal of delivering beneficial, over-the-counter dietary supplements and psychedelic-based therapeutic medicines to treat serious mental ailments where no effective, significant treatment is available today. Neural's key ingredient is mescaline derived from sustainable, legal, and cultivated sources, including the San Pedro cactus. Neural is working to identify where plant-based traditional medicine has proven to be effective and capitalize on the development of pharmaceutical and nutraceutical path to market that is compliant with applicable regulations.

Neural is in the business of developing products from plants containing psychedelic components that have a historical high record of safety and therapeutic value. Since its inception, Neural has primarily focused on the discovery and development of cacti containing the psychoactive compound mescaline. Since its inception in early 2020, Neural has been focused on filling the scientific literature gap that exists between recreational/religious niche applications and mainstream pharmaceutical acceptance. Recognizing that the pathway to full acceptance while dealing with a controlled substance has inherited challenges and rewards. Neural is well-positioned to be the world-leading expert in products derived from cacti of the *Echinopsis* genus.

On May 23, 2023, Neural became an unlisted reporting issuer in the Provinces of British Columbia, Alberta and Quebec, pursuant to a plan of arrangement (the "**Plan of Arrangement**") between the Company and Vertical Peak Holdings Inc. ("**Vertical Peak**"), more particularly described in the management information circular of Vertical Peak and the amended and restated arrangement agreement dated February 24, 2023 ("**Arrangement Agreement**") between Neural and Vertical Peak available on Neural's profile on www.sedarplus.ca.

As at April 30, 2025, the members of the Company's management and Board of Directors consisted of:

Name	Position
John Durfy	Chairman of the Board
Ian Campbell	Director, Chief Executive Officer, and Secretary
Omar Gonzalez	Chief Financial Officer
Alex Storcheus	Director
Eran Ovadya	Director
Colin McLelland	Director
Carlos Davidovich	Director

Q3 ENDED APRIL 30, 2025 - FINANCIAL AND BUSINESS HIGHLIGHTS

Extension of Letter of Intent with "Hanf.com"

By mutual agreement, Neural and CWE (dba Hanf.com) have extended the term of their letter of intent and the deadline to enter into a definitive agreement to May 31, 2025. All other terms and conditions of the letter of intent (as further described in Neural's press release dated October 3, 2024) remain unchanged.

Warrant Extension

On January 28, 2025, the Neural Board approved an amendment of the expiry date of 4,999,993 common share purchase warrants ("**Neural Seed Warrants**") and 575,800 broker warrants ("**Neural Seed Broker Warrants**") from February 3, 2025, to February 3, 2026. Neural Seed Warrants and Neural Seed Broker Warrants were issued to subscribers in the first tranche of the Neural Seed Financing, which closed on February 3, 2022. All other terms of the Neural Seed Warrants and Neural Seed Broker Warrants will remain unchanged.

Deferral Agreements, Consultant Agreement, and HCA Termination Agreement

On November 15, 2024, Neural entered into waiver and payment deferral agreements ("**Deferral Agreements**") with Ian Campbell, CEO of Neural, Humber Capital Advisors Inc. ("**HCA**"), a company that is owned by John Durfy, Chairman of Neural and certain arm's length parties (collectively "**Creditors**"), which resulted in a deferral of certain accounts payable and accrued liabilities of an aggregate of $691,318 ("**Deferred Amount**"). Pursuant to the terms of the Deferral Agreements, the Deferred Amount was deferred until the date ("**Deferral Trigger Date**") that is the earlier of: (a) January 15, 2026; and (b) the Company completing a financing for gross proceeds of no less than $400,000 following a successful listing on a recognized stock exchange in Canada ("**Listing**"), which for greater clarity, excludes the financing that is expected to be completed in connection with or immediately prior to such Listing. Following entry into the Deferral Agreements, the Creditors entered into agreements to assign approximately $551,318 of the Deferred Amount to an unrelated third party.

On November 15, 2024, the Company entered into an agreement to replace the employment agreement with Ian Campbell, CEO of Neural, with a consulting agreement ("**Campbell Consulting Agreement**"), which provides for payment of a fee of $2,000 per month on a go-forward basis. Pursuant to the Campbell Consulting Agreement, Ian Campbell will continue to serve as the Chief Executive Officer, Secretary, and Director of Neural.

On November 15, 2024, the Company agreed to terminate the consulting agreement with HCA ("**HCA Termination Agreement**"). John Durfy will continue to serve as the Chairman of the Board of Neural.

On November 15, 2024 Neural agreed to issue 21,467,163 common share purchase warrants (each a "**Warrant**"), as follows: (a) 1,381,426 Warrants to Ian Campbell in connection with the execution of the Campbell Consulting Agreement; (b) 6,715,967 Warrants to John Durfy, in connection with the execution of the HCA Termination Agreement; (c) 9,120,001 Warrants in connection with consulting agreements entered into with third parties and (d) 4,249,769 Warrants to settle payables of $4,125 with an unrelated party. Each Warrant will be exercisable into one common share in the capital of Neural ("**Neural Shares**") at a price of $0.05 per Neural Share for a period of three years from the date of issuance, subject to acceleration by the Company giving at least 30 days' notice if the Neural Shares trade at a volume-weighted average price of $0.15 or higher for a period of at least 10 consecutive trading days. These Warrants have been issued on March 7, 2025.

BUSINESS DESCRIPTION

Neural is a Canadian-based ethnobotanical drug discovery/development company focused on developing products and conducting research with psychoactive plants. The first being San Pedro a cactus containing mescaline, a naturally occurring hallucinogen that is found in certain psychoactive plants and has been in continuous use for at least 5,700 years in South America, namely Peru, Bolivia, and Colombia. Neural intends to collect and aggregate data over the next 12 months to refine its pharmaceutical drug development and natural health product pipeline. To date, Neural's activities to develop its business have focused on product and intellectual property development, conducting initial research and development to guide its drug development strategy, and various corporate and business development activities. Neural's registered office and corporate headquarters are in Canada, but Neural may conduct its research and development efforts, including cultivation, extraction, processing, product manufacturing, pre-clinical and clinical trials, in jurisdictions outside of Canada, the United States, and Peru. Neural only works with parties who hold or will obtain all necessary permits and licenses to operate in the jurisdictions where they are located during the time they are engaged by Neural.

Neural is a development-stage company and has not earned any revenue to date, and has focused on developing its business in two main platforms as follows: (1) pharmaceutical pathway; and (2) nutraceutical pathway, each of which is briefly described below.

Pharmaceutical Pathway (with mescaline)

Neural is taking steps to create mescaline-based products to compete in the emerging psychedelics market. Neural is in the process of developing a line of *San Pedro*-derived products that will help with various health objectives. The initial research and development work will focus on the active ingredients' reproducibility by means of molecular and DNA analysis, identity testing, specifications, and formulation. As noted above, Neural entered into an agreement with Cayetano University to assist with the fundamental research and development activities to enable submission of an investigational new drug ("**IND**") application.

The second fundamental research and development activity is preparation for the initial safety studies, including pre-clinical and toxicology tests, so that the standard of reasonable expectation of safety for human consumption is met. Neural is in the process of securing relationships with various contract research organizations ("**CRO**") to assist with those efforts. At present, Neural is in advanced discussions with several potential CROs in various jurisdictions. In connection with the preparation to conduct the studies, Neural also intends to establish a relationship with manufacturing partners and to test its supply chain, extraction, and product development capabilities for such mescaline-containing products. The efforts to commence these studies are ongoing and are subject to Neural securing the contractual relationships with parties that hold necessary permits and have the capabilities to conduct such research and development efforts.

As a result of its planned initial pre-clinical and clinical research efforts, Neural intends to carefully select specific drug candidates and diseases that it believes offer the greatest opportunity for therapeutic efficacy and commercial success. In consultation with various academic institutions, researchers, clinicians, and psychedelic industry opinion leaders, the goal of Neural's pharmaceutical division is to design clinical development programs that have clearly defined and achievable endpoints, that are expected to increase Neural's chance of commercial success.

Nutraceutical Pathway

In parallel with pursuing clinical research studies, Neural aims to investigate the utilization of the pulp fiber from the cactus to manufacture products that would be used for weight loss supplements, dietary supplements, dietary fiber, and diabetic food. Neural intends to partner with companies that have nutraceutical product manufacturing capabilities to develop such products and secure required regulatory approvals to market such products in the United States and Canada. Neural is, at present, among the very few companies that would offer cactus-based supplement products and, to Neural's knowledge, the only company to offer mescaline-free dietary supplements and NHPs that are based on the San Pedro cactus, and Neural believes that such a position will give it an early-mover advantage in this regard. Demonstrating product safety at pre-determined levels of dosage is an integral part of the regulatory process to register its products with the FDA and Health Canada.

SIGNIFICANT TRANSACTIONS AND FINANCINGS

- On December 13, 2024, Neural settled $42,650 of indebtedness ("**December 2024 Debt Settlement**") owed through the issuance of 1,421,668 Neural Shares at a price of $0.03, which included the settlement of $52,650 of indebtedness with vendors.
- As of April 30, 2025, the Company has received $518,500 from the private placement of Neural Shares at a price of $0.03 per Neural Share and recorded it in shares to be issued and $38,480 share issuance cost paid.

(Expressed in Canadian Dollars)

COMMITMENTS AND CONTINGENCIES

Securities Issuable Pursuant to the FMI Capital Advisory Inc. ("FMICA") Agreement

In accordance with the terms of an advisory agreement with FMICA dated December 17, 2021, subject to the completion of a listing of its common shares on a recognized Canadian exchange and a concurrent financing, the Company is obliged to issue a fee payable in a form of Neural Shares (plus HST in cash) equal representing up to 5% of the issued and outstanding capital of the Company after completion of Listing, which was satisfied through issuance of 4,223,834 Neural Shares to FMICA on March 7, 2025. Alex Storcheus, a director of the Company, is also a director of FMICA and owns an indirect 30% interest in FMICA.

RSU Issuances

In accordance with the terms of an advisory agreement with a former officer of Neural, Neural committed to issue 366,667 Neural Shares, which were satisfied through the issuance of RSUs on May 13, 2025 (see Note 13) by mutual agreement between the parties.

SELECTED QUARTERLY INFORMATION

The following is a summary of the Company's quarterly financial results for the eight most recently complete quarters to April 30, 2025:

For the quarter ended:	April 30, 2025 $	January 31, 2025 $	October 31, 2024 $	July 31, 2024 $
Net loss	981,736	115,840	100,604	209,031
Loss per share from operations	0.01	0.00	0.00	0.00

For the quarter ended:	April 30, 2024 $	January 31, 2024 $	October 31, 2023 $	July 31, 2023 $
Net loss	122,672	176,468	157,859	183,398
Loss per share from operations	0.00	0.00	0.00	0.00

DISCUSSION OF OPERATIONS

Sales Revenue and Gross Profit

Neural did not have revenues or gross profit during the three and nine months ended April 30, 2025.

Operating Expenses

Operating expenses during the three months ended April 30, 2025, were $981,736 compared to $122,672 during the corresponding three months ended April 30, 2024. This increase was primarily due to the following:

- A decrease in salaries, wages, and benefits of $10,845 as a result of the amendment of compensation agreements with Neural's management team's salaries;
- An increase in consulting fees of $179,113 as a result of more contracting consultants to assist with the business development, preparation for the listing on the CSE, and certain scientific activities;
- A decrease of $7,510 in general and administrative fees, mainly as a result of a decrease in general and administrative expenses incurred in the period; and

- A decrease of $36,332 in research expenses, due to decreased overall activity, due to preparation to execute the research and development activities following the completion of the financing.
- An increase in investor relations, listing, and filing expenses of $47,740, due to an increase in filing and regulatory compliance fees and services.
- An increase of $32,073 in debt forgiveness gain, due to courtesy discount received from creditors.
- An increase of $716,670 in loss on settlement warrant expense, due to settlement in warrants to certain directors, officers, and consultants.

Operating expenses during the nine months ended April 30, 2025, were $1,198,180 compared to $456,999 during the corresponding nine months ended April 30, 2024. This decrease was primarily due to the following:

- A decrease in salaries, wages, and benefits of $18,581 as a result of the amendment of compensation agreements with Neural's management team's salaries;
- An increase in consulting fees of $186,219 as a result of more contracting consultants to assist with the business development, preparation for the listing on the CSE, and certain scientific activities;
- A decrease of $165,080 in research expenses, due to decreased overall activity, due to preparation to execute the research and development activities following the completion of the financing.
- An increase in investor relations, listing, and filing expenses of $31,148, due to an increase in filing and regulatory compliance fees and services.
- An increase of $32,073 in debt forgiveness gain, due to courtesy discount received from creditors.
- An increase of $716,670 in loss on settlement warrant expense, due to the settlement of warrants to some directors, consultants, and management.

LIQUIDITY AND CAPITAL RESOURCES

Neural's financial success is reliant on management's ability to identify and evaluate suitable growth and acquisition opportunities and maximize the potential of these opportunities. In order to fund future growth opportunities and to cover corporate overhead, Neural may seek additional financing through debt or equity offerings. Any equity offering will result in dilution to the ownership interests of Neural's shareholders and may result in dilution to the value of such interests.

Liquidity risk is the risk that Neural will not have sufficient cash resources to meet its financial obligations as they come due. The ability of Neural to continue as a going concern is dependent on its ability to obtain funding, manage cash flows, restructure borrowings, and recover funds loaned to borrowers that have currently been provided against or recover collateral that secured those loans. There is significant uncertainty as to whether Neural will be able to continue as a going concern and therefore, whether it will continue its normal business activities and realize its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. These financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should Neural not continue as a going concern. In the short term, the continued operations of Neural may be dependent upon its ability to obtain additional financing. Without this additional financing, Neural may be unable to meet its obligations as they come due. There can be no certainty that Neural can obtain these funds, in which case any investment in Neural may be lost.

As at April 30, 2025, Neural had working capital of $144,218 (July 31, 2024 – working capital deficiency of $210,169), and had accumulated losses of $5,334,922 (July 31, 2024 - $4,136,742). Neural expects to be able to meet its financial obligations in the near future, but intends to undertake additional capital raises and seek deferral of forgiveness of some of its accrued liabilities to remedy the working capital deficiency.

Cash Flow from Operating Activities

Net cash used in operating activities during the nine months ended April 30, 2025, totaled $283,026 compared to cash used of $297,283 in the nine months ended April 30, 2024. This decrease in net cash used in operating activities was primarily due to an increase in long-term liabilities and an overall lower net loss for the period, offset by a reduction of certain accounts payable and accrued liabilities and a decrease in harmonized sales tax receivable.

Financing Activities

During the nine months ended April 30, 2025, net cash generated in financing activities totaled $467,622 compared to net cash generated of $47,414 in the corresponding prior period in 2024. The increase is primarily due to an increase in proceeds from private placement subscriptions.

Foreign currency exchange risk

Foreign exchange risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates. Neural enters into foreign currency purchase transactions and has assets and liabilities that are denominated in foreign currencies and thus is exposed to the financial risk fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates. Neural does not currently use derivative instruments to reduce its exposure to foreign currency risk.

An increase (decrease) of 10% in the currency exchange rate of the Canadian dollar versus the US dollar would have impacted Neural's net loss by $1,115 (July 31, 2024 - $nil) as a result of Neural's exposure to currency exchange rate fluctuations.

PROMISSORY NOTE

As at April 30, 2025, the Company has a promissory note of $nil (July 31, 2024 - $11,238) provided by Northern Star Capital Inc. (“**NSCI**”), a company that is 100% owned by Alex Storcheus, a director of the Company. The outstanding balance is secured, bears an annual interest rate of 13%, and is due on the earliest refund of the harmonized sales tax (HST) or February 28, 2024. The promissory note included principal amounts of $nil (July 31, 2024 - $11,000) and interest accrued of $nil (July 31, 2024 - $238). The promissory note was repaid by the Company during the three and nine months ended April 30, 2025.

CAPITAL MANAGEMENT

Neural includes cash and cash equivalents and shareholders' equity, comprising issued common shares, contributed surplus, and deficit, in the definition of capital. Neural manages its capital structure and adjusts it based on the funds available to Neural. Neural's objectives when managing its capital are to safeguard Neural's ability to continue as a going concern in order to support ongoing initiatives, to provide sufficient working capital to meet its ongoing obligations, and to pursue potential acquisitions.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of Neural, is reasonable. Neural is not subject to externally imposed capital requirements. Neural has not paid or declared any dividends since the date of incorporation, nor are any contemplated in the foreseeable future.

OFF-BALANCE SHEET ARRANGEMENTS

Neural has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Neural is not a party to any agreement for proposed transactions.

SUBSEQUENT EVENTS

*Grant of restricted share units (“**RSUs**”) and stock options (“**Options**”)*

On May 13, 2025, the Company approved the grant of 2,720,000 RSUs and 725,000 Options. RSUs were granted to directors and consultants of Neural in accordance with the provisions of the RSU Plan. All of 2,720,000 RSUs vest immediately and expire on December 31, 2028. 367,000 RSUs may be exercised into common shares of Neural after September 30, 2025, and the balance 2,353,000 RSUs may be exercised immediately upon grant. Each RSU is exercisable into one (1) common share in the capital of Neural.

Options were granted to certain officers of Neural, consultants, and members of Neural's Scientific Impact and Advisory Board in accordance with the provisions of Neural's Stock Option Plan. All of 725,000 Options vest immediately and are exercisable into Neural Shares at a price of $0.05 per Neural Share until May 13, 2028.

Entering into a strategic investment and option agreement with CWE

On May 28, 2025, the Company announced the signing of a strategic investment and option agreement dated May 28, 2025 (the "**SIO Agreement**") for Neural to acquire an interest in CWE through a series of transactions (the "**CWE Transactions**").

The SIO Agreement replaces the LOI in its entirety and sets definitive terms for CWE Transactions. The commercial terms remain substantially similar to those stipulated in the LOI, with further details set out below. Under the terms of the SIO Agreement, Neural has been granted a two-part investment option to acquire up to 100% of the issued and outstanding shares of CWE through a series of statutory amalgamations under the Business Corporations Act (Ontario). Assuming that the conditions to closing are satisfied, the CWE Transactions will proceed in two stages: (i) an initial acquisition of a minority 30.61% equity interest in CWE (the "**Series A Option**"), and (ii) a subsequent acquisition of the remaining 69.39% equity interest in CWE (the "**Series B Option**"). No finders' fees are payable in connection with the transactions stipulated pursuant to the SIO Agreement.

<u>Series A Option</u>

The Series A Option, involves the combination of CWE Newco A (an entity to be formed that will hold 30.61% of the outstanding shares of CWE ("**CWE Shares**") and which will be owned by certain former CWE shareholders) and Neural Subco A (an entity to be formed and 100% owned by Neural) through a statutory three-cornered amalgamation ("**Amalgamation A**"), resulting in a new wholly-owned subsidiary ("**Amalco A**") of Neural. In connection with Amalgamation A, Neural will issue 80,000,000 common shares in the capital of Neural ("**Neural Shares**") at a deemed price of $0.05 per Neural Share to the holders of Neural Subco A, based on an exchange ratio of 4 Neural Shares for each 1 CWE Share held by CWE Newco A. Following the completion of Amalgamation A, Neural will hold an indirect 30.61% equity interest in CWE through Amalco A. Completion of Amalgamation A is subject to the satisfaction of a number of conditions, including but not limited to the following:

- CWE completing a series of share exchange transactions ("**CWE Reorganization**"), which are subject to approval by CWE shareholders ("**CWE Shareholders**"), whereby such CWE Shareholders will exchange their CWE Shares for shares of three newly formed entities to complete the CWE Transactions set out in the SIO Agreement;

- Completion of due diligence by each of Neural and CWE to their respective satisfaction, including receipt of satisfactory financial statements and corporate records;
- Approval of the Canadian Securities Exchange ("**CSE**") to complete the transactions stipulated by the exercise of the Series A Option; and
- Other customary conditions such as receipt of certificates, absence of material adverse changes, securing requisite approvals under applicable corporate and securities laws, and the representations and warranties made by each of the parties in the SIO Agreement being true in all material respects at closing of Amalgamation A.

Series B Option

Following the completion of Amalgamation A, Neural will have the right, but not the obligation, to exercise the Series B Option, which involves delivering to CWE a notice of Neural's intention to proceed with Amalgamations B and C ("**Series B Transactions**"). The Series B Transactions will be effected through a sequence of statutory three-cornered amalgamations involving CWE Newco B and CWE Newco C (which will, following the completion of the CWE Reorganization, hold 31.02% and 38.36% of the issued and outstanding CWE Shares, respectively) and Neural's wholly owned subsidiaries, Neural Subco B and Neural Subco C.

As consideration for the Series B Transactions, Neural will issue an aggregate of 173,271,572 Neural Shares, of which:

- CWE Newco B shareholders will receive four Neural Shares for each CWE Newco B share held, or an aggregate of 81,087,629 Neural Shares at a deemed issue price per Neural Share equal to the greater of: a) $0.05; and b) the price that equal to the Maximum Permitted Discount ("**Share Issuance Price**"); and
- CWE Newco C shareholders will receive 3.677309 Neural Shares for every CWE Newco C shares held, or an aggregate of 92,183,943 Neural Shares at a deemed issue price equal to the Share Issuance Price.

In addition, holders of previously issued common share purchase warrants of CWE ("**CWE Prior Warrants**") will receive four common share purchase warrants of Neural ("**Neural Compensation Warrants**") in exchange for each CWE Prior Warrant, or an aggregate of 130,136,888 Neural Compensation Warrants, exercisable into Neural Shares at a price of $0.14 per Neural Share until April 7, 2027.

The Series B Option may only be exercised after the completion of Amalgamation A and is subject to the satisfaction or waiver of a number of conditions, including but not limited to the following:

- Approval by the board of directors of Neural to proceed with Series B Transactions;
- Completion of the CWE Reorganization;
- Receipt of all required consents and approvals, including approval of Neural Shareholders if required under applicable corporate law and the policies of the CSE;
- Completion of satisfactory due diligence and financial statement delivery by CWE, as outlined in the SIO Agreement;
- CSE confirmation that the Series B Transactions may proceed, including any applicable escrow or resale restrictions; and
- Other customary conditions, such as the absence of material adverse changes and the continued truth of representations and warranties made by each of the parties at closing of the Series B Transactions.

Upon and as a condition of completion of the Series B Transactions, Neural intends to (i) change its corporate name to "Hanf.com Inc." or such other name as may be approved by the board and the applicable regulatory authorities; (ii) consolidate its share capital on a 4-for-1 basis (the "**Neural Consolidation**"); and (iii) reconstitute its board of directors to include appointees from both parties as previously agreed upon by each of Neural and CWE in the LOI.

(Expressed in Canadian Dollars)

Upon completion of the Series B Transactions, it is anticipated that Neural will, subject to CSE approval and confirmation from former CWE shareholders representing the CWE Newcos, reconstitute its board of directors and senior officers as follows, with four directors to be appointed by CWE and one by Neural, and subject to at least three directors meeting the independence criteria under NI 52-110 - *Audit Committees*.

There can be no assurance that Neural will proceed with or complete the Series B Transactions, or that all conditions to complete the Series B Transactions will be satisfied or waived in a timely manner or at all. If completed, the Series B Transactions may subject Neural to additional continuous disclosure obligations and regulatory requirements, including ongoing financial reporting obligations in respect of the business acquired. If Neural is not able to meet such requirements, it may result in adverse effects on the Company.

OUTSTANDING SHARE DATA

The table below sets out the number of Neural Shares and other securities convertible into Neural Shares outstanding as at April 30, 2025, and the date that appears on the title page of this document:

Description of Security	Outstanding as at April 30, 2025	Outstanding as of the date hereof
Neural Shares	88,700,546	88,700,546
Neural Seed Warrants	5,546,660	5,546,660
Neural Seed Broker Warrants	596,600	596,600
Neural VP Warrants	2,000,000	2,000,000
Series A Broker Warrants	1,702,230	1,702,230
Neural Settlement Warrants	21,357,946	21,357,946
Neural Options	-	725,000
Neural RSUs	-	2,270,000
Rights	-	-

Related parties and key management

Key management includes the Company's directors, officers, and any employees with authority and responsibility for planning, directing, and controlling the activities of an entity, directly or indirectly.

On March 31, 2024, Ian Campbell - Chief Executive Officer and Director of Neural, John Durfy – Chairman of Neural, and FMICA each entered into a waiver and deferral agreements with Neural ("**Amended Deferral Agreements**"), pursuant to which each party agreed to defer the respective amounts outstanding to them as follows: $283,510 (being the amount outstanding due to Mr. Campbell as of March 31, 2024), $67,800 (being the amount outstanding due to Mr. Durfy as of March 31, 2024) and $60,000 (being the amount outstanding due to FMICA as of March 31, 2024), until the earlier of: a) May 31, 2025; and b) Neural completing a financing for gross proceeds of no less than $400,000 following Listing, excluding Series A Financing ("**Deferral Trigger Date**").

As at April 30, 2025 and July 31, 2024, the balance outstanding with them has been reclassified from current liabilities into long-term liabilities pursuant to the deferral agreements entered into on November 15, 2025, pursuant to which the Deferral Trigger Date until the earlier of until the earlier of: a) March 31, 2026; and b) Neural completing a financing for gross proceeds of no less than $400,000 following Listing, excluding Series A Financing ("**Amended Deferral Trigger Date**").

(Expressed in Canadian Dollars)

The following is a summary of the key management compensation for the three and nine months ended April 30, 2025, and 2024:

	Three Months Ended April 30,		Nine Months Ended April 30,	
	2025	**2024**	**2025**	**2024**
Director fees (i)	-	22,500	26,250	67,500
Salaries (ii)	-	67,308	54,968	162,590
Professional fees (ii)(iv)	36,000	-	101,000	-
Marrelli Support Services Inc. (iii)	4,635	8,502	16,530	42,397
Total	**40,635**	**98,310**	**198,748**	**272,487**

(i) During the three and nine months ended April 30, 2025, the Company incurred $nil and $26,250 (three and nine months ended April 30, 2024 - $22,500 and $67,500), respectively, of consulting fee paid to a company 100% owned by John Durfy, Chairman of the Company. As at April 30, 2025, $20,000 (July 31, 2024 - $115,725) was outstanding, as the balance has been assigned to NSCI and included in long-term liabilities.

(ii) During the three and nine months ended April 30, 2025, the Company incurred $36,000 and $155,968 (three and nine months ended April 30, 2024 - $67,308 and $162,590), respectively, in salaries, consulting fees, which included $6,000 to Ian Campbell, CEO of the Company. As at April 30, 2025, $2,000 (July 31, 2024 - $338,477) was outstanding, of which $2,000 (July 31, 2024 - $299,214) was included in accrued liabilities, as the balance has been assigned to NSCI and included in long-term liabilities.

(iii) During the three and nine months ended April 30, 2025, the Company incurred $4,635 and $16,968 (three and nine months ended April 30, 2024 - $8,502 and $42,397), respectively, for accounting and CFO services to MSSI. As at April 30, 2025, $nil (July 31, 2024 - $26,371) was included in accounts payable.

(iv) Included in the professional fees for the three and nine months ended April 30, 2025, are $30,000 and $90,000 consulting fees to FMICA, a company for which Alex Storcheus is a director. As at April 30, 2025, a total of $190,000 was due to FMICA, all of which was included in long-term liabilities.

On November 15, 2024, Neural entered into waiver and payment deferral agreements ("**Deferral Agreements**") with Ian Campbell, CEO of Neural, Humber Capital Advisors Inc. ("**HCA**"), a company that is owned by John Durfy, Chairman of Neural and certain arm's length parties (collectively "**Creditors**"), which resulted in a deferral of certain accounts payable and accrued liabilities of an aggregate of $691,318 ("**Deferred Amount**"). Pursuant to the terms of the Deferral Agreements, the Deferred Amount was deferred until the date ("**Deferral Trigger Date**") that is the earlier of: (a) January 15, 2026; and (b) the Company completing a financing for gross proceeds of no less than $400,000 following a successful listing on a recognized stock exchange in Canada ("**Listing**"), which for greater clarity, excludes the financing that is expected to be completed in connection with or immediately prior to such Listing. Following entry into the Deferral Agreements, the Creditors entered into agreements ("**NSCI Assignment Agreements**") to assign approximately $551,318 of the Deferred Amount to NSCI, which further agreed to defer the amount until the Amended Deferral Trigger Date, which was the total Deferred Amount owing to NSCI as at April 30, 2025 (July 31, 2024 – Nil).

On November 15, 2024, the Company entered into an agreement to replace the employment agreement with Ian Campbell, CEO of Neural, with a consulting agreement ("**Campbell Consulting Agreement**"), which provides for payment of a fee of $2,000 per month on a go-forward basis. Pursuant to the Campbell Consulting Agreement, Ian Campbell will continue to serve as the Chief Executive Officer, Secretary, and Director of Neural.

On November 15, 2024, the Company agreed to terminate the consulting agreement with HCA ("**HCA Termination Agreement**"). John Durfy will continue to serve as the Chairman of the Board of Neural.

RISK FACTORS

An investment in the Company's securities is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's CSE Form 2A Listing Statement dated March 7, 2025 and Annual MD&A for the fiscal year ended July 31, 2024, available on SEDAR+ at www.sedarplus.ca.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The financial statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate, and assets are safeguarded.

The Board of Directors has approved the financial statements on the recommendation of the Audit Committee.

June 26, 2025

Ian Campbell - Chief Executive Officer
Omar Gonzalez - Chief Financial Officer