

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement (the “**Prospectus Supplement**”), together with the accompanying short form base shelf prospectus for the province of Québec and amended and restated short form base shelf prospectus for each of the provinces of Canada, except Québec dated January 28, 2022 (the “**Base Shelf Prospectus**” and, as supplemented by this Prospectus Supplement, collectively the “**Prospectus**”) to which it relates, as amended or supplemented, and each document incorporated by reference into this Prospectus Supplement and the Base Shelf Prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

The securities offered hereby have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws. Accordingly, the securities offered hereby may not be offered or sold, directly or indirectly, in the United States, or to a U.S. Person, except pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See “Plan of Distribution”.

Information has been incorporated by reference in this Prospectus Supplement and the Base Shelf Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Mydecine Innovations Group Inc. at Suite 810 - 789 West Pender Street, Vancouver, BC, V6C 1H2, Telephone: 1-604-687-2038, and are also available electronically at [www.sedar.com](http://www.sedar.com).

## PROSPECTUS SUPPLEMENT

### (TO THE FINAL SHORT FORM BASE SHELF PROSPECTUS FOR THE PROVINCE OF QUÉBEC AND THE AMENDED AND RESTATED FINAL SHORT FORM BASE SHELF PROSPECTUS FOR EACH OF THE PROVINCES OF CANADA EXCEPT QUÉBEC, EACH DATED JANUARY 28, 2022)

New Issue

May 20, 2022



**MYDECINE INNOVATIONS GROUP INC.**  
**810 – 789 West Pender Street,**  
**Vancouver, British Columbia, V6C 1H2**

**Up to \$4,000,000 (3,478,260 Units)**

---

**Price: \$1.15 per Unit**

---

Mydecine Innovations Group Inc. (“**Mydecine**” or the “**Company**”) is hereby qualifying the distribution (the “**Offering**”) of up to 3,478,260 units of the Company (the “**Units**”) at a price of \$1.15 per Unit (the “**Offering Price**”) for aggregate gross proceeds of up to \$4,000,000. Each Unit consists of one Common Share (as defined herein) of the Company (each, a “**Unit Share**”) and one transferrable Common Share purchase warrant of the Company (a

“**Warrant**”). Each Warrant will entitle the holder thereof to purchase one additional Common Share of the Company (each, a “**Warrant Share**”) at an exercise price of \$1.40 per Warrant Share (the “**Warrant Exercise Price**”), in accordance with the Warrant Indenture (as defined herein) at any time until 5:00 p.m. (Eastern Standard Time) on the date that is 60 months after the Closing Date (as defined herein). The Warrants will be governed by a warrant indenture to be entered into on or before the Closing Date between National Securities Administrators Ltd. (the “**Warrant Agent**”) and the Company (the “**Warrant Indenture**”). The Company will use the net proceeds of the Offering as described in this Prospectus Supplement. See “*Use of Proceeds*”.

**There is no minimum amount of funds that must be raised under this Offering. This means that the Company could complete this Offering after raising only a small proportion of the Offering amount set out above**

The Units will be offered and sold on a best efforts basis pursuant to an agency agreement dated May 19, 2022 (the “**Agency Agreement**”) among the Company and Stifel Nicolaus Canada Inc. and Roth Canada, Inc., as co-lead agents (the “**Agents**”). The Units will be offered in all provinces of Canada other than Québec, through the Agents or their affiliates, or other dealers as may be designated by the Agents who are registered to offer the Units for sale in such provinces. Subject to applicable law, the Agents may offer the Units in such other jurisdictions outside of Canada and the United States as agreed between the Company and the Agents. See “*Plan of Distribution*”.

The issued and outstanding common shares of the Company (the “**Common Shares**”) are listed on the NEO Exchange Inc. (the “**NEO**”) under the symbol “MYCO”, the OTC Pink Sheets (the “**OTC**”) under the symbol “MYCOF” and the Frankfurt Stock Exchange (the “**FRA**”) under the symbol “0NFA”. On May 17, 2022, the last trading day prior to the announcement of the Offering, the closing price per Common Share on the NEO, the OTC and the FRA was \$1.25, \$0.93 and \$0.84, respectively. The Company will apply to list the Unit Shares, the Warrant Shares and the Compensation Warrant Shares (as defined herein) and the Warrants offered by this Prospectus Supplement on the NEO. The listing of such securities will be subject to the Company fulfilling all of the listing requirements of the NEO.

**There is currently no market through which the Warrants and Compensation Warrants (as defined herein) may be sold and purchasers may not be able to resell securities purchased under this Prospectus Supplement. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “*Risk Factors*”.**

	<b>Price to the Public</b> <sup>(1)(5)</sup>	<b>Agents’ Fee</b> <sup>(2)(3)</sup>	<b>Net Proceeds to the Company</b> <sup>(3)(4)</sup>
Per Unit.....	\$1.15	\$0.0805	\$1.0695
Total .....	\$4,000,000 <sup>(4)</sup>	\$280,000	\$3,720,000

**Notes:**

- (1) The Offering Price was determined by arm’s length negotiation between the Company and the Agents with reference to the then-current market price of the Common Shares.
- (2) The Company has agreed to pay the Agents a commission equal to 7.0% of the total gross proceeds of the Offering, including any proceeds from the exercise of the Over-Allotment Option (as defined herein) (the “**Agents’ Fee**”). As additional compensation, on the Closing Date, the Agents will be issued non-transferable compensation warrants of the Company (the “**Compensation Warrants**”) equal to 7.0% of the total number of Units issued under the Offering (including any Units issued on the exercise of the Over-Allotment Option). Each Compensation Warrant will be exercisable into one Common Share (each, a “**Compensation Warrant Share**”) at the Offering Price, at any time that is 60 months after the Closing Date. The Compensation Warrant terms will be set out in definitive certificates and will include, among other things, customary provisions for the adjustment of the number of Compensation Warrant Shares issuable upon exercise thereof resulting from the occurrence of certain events including any subdivision, consolidation or reclassification of the Common Shares, or any capital reorganization, arrangement, merger, consolidation or amalgamation of the Company. This Prospectus also qualifies the distribution of the Compensation Warrants to the Agents and the Compensation Warrant Shares issuable on the exercise thereof. The amount of the Agents’ Fee payable, and number of the Compensation Warrants issuable, to the Agent may be adjusted downwards in respect of Units settled with purchasers directly by the Company. See “*Plan of Distribution*”.
- (3) Assumes no exercise of the Over-Allotment Option.
- (4) Assuming no exercise of the Over-Allotment Option, after deducting the Agents’ Fee, but before deducting the expenses of the Offering (estimated to be approximately \$250,000, which together with the Agents’ Fee, will be paid from the gross proceeds of the Offering).
- (5) The Company has granted to the Agents an option (the “**Over-Allotment Option**”), exercisable in whole or in part at any time and from time to time on the Closing Date or for a period of 30 days following the Closing Date (the “**Over-Allotment Deadline**”), to offer for sale such number of additional Units, Unit Shares or Warrants (or any combination

thereof) as is equal to 15% of the number of Units issued under the Offering (the “**Over-Allotment Units**”), solely to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Agents in respect of (i) Over-Allotment Units at the Offering Price; (ii) additional Unit Shares (the “**Over-Allotment Shares**”) at a price of \$0.821 per Over-Allotment Share, (iii) additional Warrants (the “**Over-Allotment Warrants**”) at a price of \$0.329 per Over-Allotment Warrant; or (iv) any combination of Over-Allotment Shares, Over-Allotment Units and/or Over-Allotment Warrants, so long as the aggregate number of Over-Allotment Shares, Over-Allotment Units and Over-Allotment Warrants does not exceed 15% of the number of Units issued under the Offering (excluding the Over-Allotment Option). The Common Shares issuable upon exercise of the Over-Allotment Warrants (including Warrants issuable as part of the Over-Allotment Units) are referred to herein as the “**Over-Allotment Warrant Shares**”. If the Agents exercise the Over-Allotment Option in full, the total price to the public will be \$4,599,999; the aggregate Agents’ Fee will be \$322,000; and the net proceeds to the Company, before deducting the estimated expenses of the Offering, will be \$4,277,999. This Prospectus Supplement qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Units, Over-Allotment Shares and/or Over-Allotment Warrants. A purchaser who acquires securities forming part of the Agents’ over-allocation position acquires those securities under this Prospectus Supplement, regardless of whether such over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or through secondary market purchases. See “*Plan of Distribution*”.

Unless the context otherwise requires, when used herein, all references to the “Offering” include the exercise of the Over-Allotment Option.

The following table sets out the number of options and other compensation securities that have been issued or may be issued by the Company to the Agents:

<b>Agents’ Position</b>	<b>Offering</b>	<b>Exercise Period/ Acquisition Date</b>	<b>Exercise Price/ Acquisition Value</b>
Over-Allotment Option	Up to 521,739 Over-Allotment Units and/or Over-Allotment Warrants	On the Closing Date or up to 30 days following the Closing Date	\$1.15 per Over-Allotment Unit and \$1.40 per Over-Allotment Warrant
Compensation Warrants	Up to 279,999 Compensation Warrants <sup>(1)</sup>	Up to 60 months following the Closing Date	\$1.15 per Compensation Warrant

**Note:**

(1) Assuming the exercise of the Over-Allotment Option in full.

Unless the context otherwise requires, when used herein, all references to “Units”, “Unit Shares”, “Warrants” and “Warrant Shares” include the Over-Allotment Units and components thereof issuable upon exercise of the Over-Allotment Option, all references to “Compensation Warrants” include the Compensation Warrants issuable upon exercise of the Over-Allotment Option, and all references to “Compensation Warrant Shares” include the Compensation Warrant Shares issuable upon exercise of the Compensation Warrants issuable in connection with the exercise of the Over-Allotment Option. The Offering is not underwritten or guaranteed by any person. The Agents conditionally offer the Units on a best efforts basis if, as and when issued by the Company and accepted by the Agents in accordance with the conditions contained in the Agency Agreement referred to under “*Plan of Distribution*”, and subject to the approval of certain legal matters on behalf of the Company by Miller Thomson LLP and on behalf of the Agents by Bennett Jones LLP.

**Any investment in Mydecine’s securities is speculative and involves significant risks that should be carefully considered by prospective investors before purchasing the Units. A prospective investor should review the Prospectus Supplement and the Base Shelf Prospectus, as amended or supplemented, and the documents incorporated by reference herein and therein, as amended or supplemented, in their entirety and carefully consider the “Risk Factors” section in this Prospectus Supplement, the Base Shelf Prospectus and the documents incorporated by reference herein and therein, as well as the information under the heading “Cautionary Note Regarding Forward Looking Information” in this Prospectus Supplement, and consider such notes and information in connection with an investment in the Units.**

**Owning the Units may subject investors to tax consequences. This Prospectus Supplement and the Base Shelf Prospectus may not describe such tax consequences fully. Prospective purchasers should read the tax discussion in this Prospectus Supplement under the heading “Certain Canadian Federal Income Tax Considerations” and are advised to**

**consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Units.**

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the Agents reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to occur on or about May 25, 2022, or such other date as the Company and the Agents may agree, but in any event no later than the latest date for closing the Offering as may be prescribed pursuant to applicable securities laws or the rules and policies of any applicable stock exchange (the “**Closing Date**”).

It is anticipated that the Unit Shares and Warrants will be delivered under the book-based system through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and deposited in electronic form. Such purchasers of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Unit Shares and Warrants on behalf of owners who have purchased Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. See “*Plan of Distribution*”.

In connection with the Offering, the Agents may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that may otherwise exist in the open market. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

David Joshua Bartch, Damon Michaels, Robert Roscow, Josephine Wu, Dean Ditto and Dr. Victoria Hale, each of whom is a director and/or officer of the Company, reside outside of Canada. Each of them has appointed the Company at Suite 810 - 789 West Pender Street, Vancouver, British Columbia, V6C 1H2 as his or her agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

The Company’s head and registered office is located at Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

**The Company conducts research and development on psilocybin mushrooms in Canada with a focus on developing and commercializing psychedelic-inspired regulated medicines. The raw psilocybin is produced in Jamaica and transported to the Company’s research partners in Canada. The Company, through a third-party research partner, is carrying out certain research involving psilocybin in Canada, Australia, the United States, the United Kingdom and the Netherlands. No psilocybin mushrooms product will be commercialized prior to applicable legal or regulatory approval. The Company does not have any direct or indirect involvement with the illegal selling, production or distribution of substances in the jurisdictions in which it operates. The Company does not advocate for the legalization of psychedelic substances for recreational purposes and does not deal with psychedelic substances except within laboratory and clinical trial settings conducted within approved regulatory frameworks.**

**The Canadian and United States federal governments regulate drugs through the *Controlled Drugs and Substances Act* (Canada) (the “**CDSA**”) and the *Controlled Substances Act* (21 U.S.C. § 811), respectively, which place controlled substances in a schedule. Under the CDSA, psilocybin is currently a Schedule III drug. CDSA prohibits the possession of a Schedule III drug absent authorization under the CDSA or a related regulation (either via a license or an authorized exemption). It is a criminal offence to possess substances under the CDSA without a prescription. Health Canada has not approved psilocybin as a drug. It is anticipated that all of the Company’s psilocybin activities in Canada will be carried out in partnership with Applied Pharmaceutical Innovation, major hospitals or major institutions under licenses held by and exemptions afforded to such partners to legally handle and administer psilocybin.**

**Unlike in Canada and the United States, psilocybin mushrooms are not an illegal drug under Jamaica’s *Dangerous Drugs Act, 1948*.**

**The *Opium Act* (Netherlands) (*Opiumwet*) (the “**Opium Act**”), the primary drug legislation in the Netherlands, prohibits the possession, production, preparation, processing, selling, delivering, transporting, importing and exporting of any drug or substance listed on the schedules/lists accompanying the *Opium Act* (together, the “**Opium Act Lists**”), as well as preparations containing one or more of such prohibited substances. As of the date**

hereof, the Opium Act Lists expressly name mushrooms, as well as psilocin (psilocine) and psilocybin (psilocybine), both of which are substances that naturally occur within psychedelic mushrooms.

The Company's operations are conducted in strict compliance with local laws where such activities are permissible and do not require any specific legal or regulatory approvals. The Company oversees and monitors compliance with applicable laws in each jurisdiction in which it operates. In addition to the Company's senior executives and the employees responsible for overseeing compliance, the Company has local regulatory/compliance counsel engaged in every jurisdiction (provincial, state and local) in which it operates.

For these reasons, the Company may be (a) subject to heightened scrutiny by regulators, stock exchanges, clearing agencies and other U.S. and Canadian authorities, (b) susceptible to regulatory changes or other changes in law, and (c) subject to risks related to drug development, among other things. There are a number of risks associated with the business of the Company. See "Risk Factors" herein, "Risk Factors" in the Base Shelf Prospectus and "Risk Factors" in the Annual Information Form (as defined herein).

## TABLE OF CONTENTS

NOTICE TO READER .....	7
CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION .....	7
CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION .....	8
DOCUMENTS INCORPORATED BY REFERENCE.....	10
THE COMPANY .....	12
USE OF PROCEEDS .....	15
CONSOLIDATED CAPITALIZATION.....	16
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS .....	17
PLAN OF DISTRIBUTION.....	21
TRADING PRICE AND VOLUME .....	23
RISK FACTORS .....	24
AUDITORS.....	25
LEGAL MATTERS AND INTERESTS OF EXPERTS.....	26
PURCHASERS' STATUTORY RIGHTS .....	26

## NOTICE TO READER

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Offering and also adds to and updates certain information contained in the Base Shelf Prospectus and the documents incorporated by reference herein and therein. The second part, the Base Shelf Prospectus, gives more general information about securities the Company may offer from time to time, some of which may not apply to the Offering. Both documents contain important information investors should consider when making an investment decision. This Prospectus Supplement may add, update or change information contained in the Base Shelf Prospectus. Before investing, purchasers of Units pursuant to the Offering should carefully read both this Prospectus Supplement and the Base Shelf Prospectus together with the additional information about the Company referred to in the section of this Prospectus Supplement titled “Documents Incorporated by Reference”. This Prospectus Supplement is deemed to be incorporated by reference into the Base Shelf Prospectus solely for the purposes of the Offering. Other documents are also incorporated or deemed to be incorporated by reference into this Prospectus Supplement and into the Base Shelf Prospectus. See “Documents Incorporated by Reference”.

**Purchasers of Units pursuant to the Offering should rely only on the information contained in or incorporated by reference into this Prospectus Supplement and the Base Shelf Prospectus. If information in this Prospectus Supplement is inconsistent with the Base Shelf Prospectus or the information incorporated by reference therein, you should rely on this Prospectus Supplement. The Company has not authorized any other person to provide purchasers with additional or different information. If anyone provides purchasers with additional or different information, such purchasers should not rely on it. The Company is offering to sell, and seeking offers to buy, these securities only in jurisdictions where offers and sales are permitted. Purchasers should assume that the information appearing in this Prospectus Supplement and the Base Shelf Prospectus, as well as information the Company has previously filed with the securities regulatory authority in each of the provinces of Canada that is incorporated herein and in the Base Shelf Prospectus by reference, is accurate as of their respective dates only. The Company’s business, financial condition, results of operations and prospects may have changed since those dates.**

This Prospectus Supplement shall not be used by anyone for any purpose other than in connection with the Offering.

References in this Prospectus Supplement to “Mydecine”, “we”, “us” or “our” refer to the Company and each of its material subsidiaries (1220611 B.C. Ltd., NeuroPharm Inc. and Mindleap Health Inc.), unless the context indicates otherwise.

### CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

All dollar amounts in this Prospectus Supplement are expressed in Canadian dollars unless otherwise indicated. References to “US\$” are to U.S. dollars.

The following table sets out, for the period indicated, certain exchange rates based upon the exchange rates published by the Bank of Canada during the respective periods. The rates are set out as United States dollars per \$1.00.

	Fiscal Quarter Ended March 31, 2022	Fiscal Year Ended December 31, 2021	Fiscal Year Ended December 31, 2020	Fiscal Year Ended December 31, 2019
Average	\$0.7898	\$0.7980	\$0.7461	\$0.7537
End	\$0.8003	\$0.7888	\$0.7854	\$0.7699

On May 19, 2022, the last completed trading day prior to the date of this Prospectus Supplement, the daily exchange rate for the United States dollar in terms of Canadian dollars, as quoted by the Bank of Canada, was US\$1.00 = \$0.7807.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus Supplement and the Base Shelf Prospectus, and the documents incorporated herein by reference, contain certain forward-looking statements that relate to the Company's current internal expectations, estimates, projections, assumptions, beliefs and views of future events, including without limitation, management's expectations regarding the Offering and the proposed use of proceeds thereof. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative or grammatical variations of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs.

These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*" in the Annual Information Form, the Base Shelf Prospectus and in this Prospectus Supplement and in other documents incorporated by reference herein. Management provides forward-looking statements because it believes they provide useful information to readers when considering their investment objectives and cautions readers that the information may not be appropriate for other purposes. Consequently, all of the forward-looking statements made in this Prospectus Supplement and the Base Shelf Prospectus and in documents incorporated by reference herein and therein are qualified by these cautionary statements and other cautionary statements or factors contained herein and therein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this Prospectus Supplement and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

The forward-looking statements in this Prospectus Supplement and the Base Shelf Prospectus and in documents incorporated by reference herein and therein are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies, and the Company's ability to operate on a profitable basis.

Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include, without limitation, the following: forward-looking statements may prove to be inaccurate; limited operating history; management of growth; retention and acquisition of skilled personnel; conflicts of interest; personnel; public health crises, including the coronavirus (SARS-CoV-2) ("**COVID-19**") (including the Omicron and Delta variants); raw materials; select number of products; medical community and patient perception of psychedelics; brand awareness; development of new medications; certain arrangements with research partners not yet formalized; legal proceedings; failure to achieve the Company's publicly announced milestones; regulatory compliance; regulatory changes; risks related to clinical testing; the Company's prospects depend on the success of its product candidates which are at early stages of development, and the Company may not generate revenue for several years, if at all, from these products; patients for clinical trials; future Health Canada approval; product liability; product liability claims; distribution/supply chain interruption; reliance on third party manufacturers; product recalls; trademark protection; competition; emerging market risks; enforcement of legal rights in foreign jurisdictions; dependence on management team; the Company's employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on its business; the Company may expand its business through the acquisition of companies or businesses or by entering into collaborations, each of which could disrupt the Company's business and harm its financial condition; risks associated with smaller companies; tax issues; the Company may not pay dividends; speculative nature of investment risk; negative operating cash flow and going concern; discretion over use of proceeds; potential need for additional financing; volatile market price of the Company's Common Shares; liquidity of Common Shares; potential dilution; and the market for the Company's securities.



Although the forward-looking statements are based upon what management currently believes to be reasonable assumptions, the Company cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. In particular, the Company has made assumptions regarding, among other things:

- substantial fluctuation of losses from quarter to quarter and year to year due to numerous external risk factors, and anticipation that the Company will continue to incur significant losses in the future;
- uncertainty as to the Company's ability to raise additional funding to support operations;
- the Company's ability to access additional funding;
- the fluctuation of foreign exchange rates;
- the duration of the COVID-19 pandemic and the extent of its economic and social impact;
- the risks associated with the development of the Company's product candidates which are at early stages of development;
- reliance upon industry publications as the Company's primary sources for third-party industry data and forecasts;
- reliance on third parties to plan, conduct and monitor the Company's preclinical studies and clinical trials;
- reliance on third party contract manufacturers to deliver quality clinical and preclinical materials;
- the Company's product candidates may fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or may not otherwise produce positive results;
- risks related to filing investigational new drug applications to commence clinical trials and to continue clinical trials if approved;
- the risks of delays and inability to complete clinical trials due to difficulties enrolling patients;
- competition from other biotechnology and pharmaceutical companies;
- the Company's reliance on the capabilities and experience of the Company's key executives and scientists and the resulting loss of any of these individuals;
- the Company's ability to fully realize the benefits of acquisitions;
- the Company's ability to adequately protect the Company's intellectual property and trade secrets;
- the risk of patent-related or other litigation; and
- the risk of unforeseen changes to the laws or regulations in the United States, Jamaica, Australia, the United Kingdom, the Netherlands and Canada and other jurisdictions in which the Company operates.

Drug development involves long lead times, is very expensive and involves many variables of uncertainty. Anticipated timelines regarding drug development are based on reasonable assumptions informed by current knowledge and information available to the Company. Every patient treated on future studies can change those assumptions either positively (to indicate a faster timeline to new drug applications and other approvals) or negatively (to indicate a slower timeline to new drug applications and other approvals). This Prospectus Supplement and the Base Shelf Prospectus and the documents incorporated by reference herein and therein contain certain forward-looking statements regarding anticipated or possible drug development timelines. Such statements are informed by, among other things, regulatory

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

In addition to the factors set out above and those identified under the heading "*Risk Factors*" in the Annual Information Form, the Base Shelf Prospectus and in this Prospectus Supplement, other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking statements. Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking statements.

**Many of these factors are beyond the Company's ability to control or predict. These factors are not intended to represent a complete list of the general or specific factors that may affect the Company. The Company may note additional factors elsewhere in this Prospectus Supplement and the Base Shelf Prospectus and in any documents incorporated by reference herein and therein. All forward-looking statements speak only as of the date made. All subsequent written and oral forward-looking statements attributable to the Company, or persons acting on the Company's behalf, are expressly qualified in their entirety by the cautionary statements. Except as required by law, the Company undertakes no obligation to update any forward-looking statement.**

**The forward-looking statements contained in this Prospectus Supplement and the Base Shelf Prospectus and the documents incorporated by reference herein and therein are expressly qualified in their entirety by the foregoing cautionary statement.** Investors should read the entire Prospectus, including the Annual Information Form, the documents incorporated by reference herein, and each applicable Prospectus Supplement, and consult their own professional advisers to ascertain and assess the income tax and legal risks and other aspects associated with holding securities of the Company.

## **DOCUMENTS INCORPORATED BY REFERENCE<sup>1</sup>**

**This Prospectus Supplement is deemed to be incorporated by reference into the Base Shelf Prospectus solely for the purpose of the Offering. Other documents are also incorporated, or deemed to be incorporated, by reference into the Base Shelf Prospectus and reference should be made to the Base Shelf Prospectus for full particulars thereof.**

As at the date hereof, the following documents, which have been filed by the Company with the securities commissions or similar regulatory authorities in each of the provinces of Canada, are specifically incorporated by reference into and form an integral part of this Prospectus Supplement:

- a. the annual information form of the Company dated March 31, 2022 for its fiscal year ended December 31, 2021 (the "**Annual Information Form**");
- b. the audited annual consolidated financial statements of the Company for the years ended December 31, 2021 and 2020, together with the notes thereto and the auditors' report thereon (the "**Annual Financial Statements**");
- c. the management's discussion and analysis of the Company related to the Annual Financial Statements (the "**Annual MD&A**");
- d. the management information circular of the Company dated August 23, 2021 prepared in connection with the Company's annual general and special meeting of shareholders held on September 20, 2021 (the "**Circular**"), with the exception of the following documents incorporated by reference in the Circular, all of which are expressly excluded from incorporation by reference herein:

---

<sup>1</sup> **MT Note:** We have removed references to material change reports that were issued before the end of the financial year in respect of which Mydecine's current AIF is filed (in accordance with Subsection 11.1(1)(5) of 44-101F1).

- i. the interim unaudited consolidated financial statements of the Company for the three-month period ended March 31, 2021, with comparatives for the three-month period ended March 31, 2020 and the related management’s discussion and analysis; and
  - ii. the annual information form of the Company dated July 15, 2020 for its fiscal year ended December 31, 2019;
- e. the unaudited condensed interim consolidated financial statements of the Company for the three months ended March 31, 2022 and 2021, together with the notes thereto (the “**Interim Financial Statements**”)
- f. the management’s discussion and analysis of the Company related to the Interim Financial Statements (the “**Interim MD&A**” and, together with the Annual MD&A, the “**MD&A**”);
- g. the material change report of the Company dated January 20, 2022, announcing the closing of a non-brokered private placement (the “**Debenture Financing**”) of a convertible secured subordinated debenture in the principal amount of \$5.5 million and, in connection therewith, the issuance of warrants to acquire up to 32,352,941 Common Shares at a price of \$0.17 per share at any time up to 36 months following the closing of the Debenture Financing;
- h. the material change report of the Company dated February 3, 2022, announcing the appointment of Dr. Victoria Hale to the Board, effective February 15, 2022;
- i. the material change report of the Company dated April 22, 2022, announcing the completion of a reverse stock-split, pursuant to which all of the Company’s Common Shares were consolidated on a 1-for-50 basis (the “**Share Consolidation**”); and
- j. the “template version” (as such term is defined in National Instrument 41-101 – General Prospectus Requirements (“**NI 41-101**”)) of the term sheet (the “**Term Sheet**”) dated and filed May 18, 2022 in respect of the Units prepared for potential investors in connection with the Offering; and
- k. the amended “template version” (as such term is defined in NI 41-101) of the Term Sheet dated and filed May 19, 2022, utilized in connection with the Offering.

Any documents of the type required to be incorporated by reference in a short form prospectus pursuant to National Instrument 44-101 — Short Form Prospectus Distributions of the Canadian Securities Administrators, including any documents of the type referred to above (excluding confidential material change reports, if any) filed by the Company with the various securities commissions or similar regulatory authorities in Canada after the date of this Prospectus Supplement and prior to the termination of the Offering shall be deemed to be incorporated by reference into and form an integral part of this Prospectus. **Any statement contained in this Prospectus Supplement, the Base Shelf Prospectus or in a document incorporated or deemed to be incorporated by reference herein or therein shall be deemed to be modified or superseded for purposes of this Prospectus Supplement and the Base Shelf Prospectus to the extent that a statement contained herein or in the Base Shelf Prospectus or in any other subsequently filed document that also is incorporated or is deemed to be incorporated by reference herein or in the Base Shelf Prospectus, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall be deemed, except as so modified or superseded, not to constitute a part of this Prospectus.**

In addition, if the Company disseminates a news release in respect of previously undisclosed information that, in the Company’s determination, constitutes a “material fact” (as such term is defined under applicable Canadian securities laws), the Company will identify such news release as a “designated news release” for the purposes of the Prospectus in

writing on the front page of the version of such news release that the Company files on SEDAR (any such news release, a “**Designated News Release**”), and each such Designated News Release shall be deemed to be incorporated by reference into the Prospectus only for the purposes of the Offering.

References to the Company’s website in any documents that are incorporated by reference into this Prospectus Supplement and the Base Shelf Prospectus do not incorporate by reference the information on such website into this Prospectus Supplement and the Base Shelf Prospectus and the Company disclaims any such incorporation by reference.

## **THE COMPANY**

*The following description of the Company is derived from selected information about the Company contained in the documents incorporated by reference herein and does not contain all of the information about the Company and its business that should be considered before investing in the Common Shares. This Prospectus Supplement, the Base Shelf Prospectus and the documents incorporated by reference herein and therein should be reviewed and considered by prospective purchasers in connection with their investment in the Common Shares. This Prospectus Supplement may add to, update or change information in the Base Shelf Prospectus. You should carefully read this entire Prospectus Supplement and the Base Shelf Prospectus, including the risks and uncertainties discussed in the section titled “Risk Factors” in the Base Shelf Prospectus, the Annual Information Form and this Prospectus Supplement, and the information incorporated by reference in this Prospectus Supplement, including the Company’s consolidated financial statements, before making an investment decision.*

### **Summary Description of the Business**

The Company is an emerging biotech and life sciences company dedicated to developing and commercializing innovative solutions for treating mental health problems and enhancing wellbeing. The Company’s medical and scientific advisory board is building out an R&D pipeline of nature-sourced psychedelic-assisted therapeutics, novel compounds, therapy protocols, and unique delivery systems.

The Company currently has several clinical initiatives involving its lead drug candidate MYCO-001 (a form of purified psilocybin) with multiple research institutions, globally. Further, the Company has designed several libraries of novel molecules believed to have enhanced safety and efficacy profiles. The Company is currently working with its pre-clinical team at the University of Alberta to work these molecules through the Investigational New Drug enabling stage with the intent to put them into human clinical studies expected to commence in 2022.

The Company has a comprehensive intellectual property strategy covering novel molecules, drug formulations, delivery mechanisms, and methods of production. The Company believes this covers all described drug development activities in our named pipeline and clinical trials. The Company has filed these applications both in the United States and through the Patent Cooperation Treaty (PCT) for protection in all jurisdictions in which the Company does business.

More detailed information regarding the business of the Company as well as its operations, assets, and properties can be found in the Annual Information Form and other documents incorporated by reference herein, as supplemented by the disclosure herein. See “*Documents Incorporated by Reference*”.

## **RECENT DEVELOPMENTS**

Other than as set out herein, there have been no material developments in the business of the Company since March 31, 2022, the date of the Interim Financial Statements, which have not been disclosed in the accompanying Base Shelf Prospectus or in the documents incorporated by reference therein.

On January 24, 2022, the Company announced its partnership with Combat Stress and the King’s College London, to use psilocybin as part of a psychoactive-assisted psychotherapy treatment for post-traumatic stress disorder (PTSD) with veterans. Combat Stress, the leading charity aiding veterans’ mental health in the United Kingdom, will be one of several sites for the Company’s upcoming clinical trials.

On February 3, 2022, the Company announced the appointment of Dr. Victoria Hale to the Board, effective as of

February 15, 2022. Dr. Hale is a pharmaceutical scientist and executive, as well as a global health social entrepreneur. Dr. Hale currently serves as Chair of the board of directors of the Multidisciplinary Association for Psychedelic Studies (MAPS), a non-profit research and educational organization leading the psychedelics sector in new medicine development. See “Directors and Executive Officers”.

On February 8, 2022, the Company announced that through its licensed dealer facility, available to Mydecine through its exclusive agreement with Applied Pharmaceutical Innovation (API), Mydecine is able to provide psilocybin and MDMA that meet Current Good Manufacturing Practices (cGMP) through Health Canada’s Special Access Program (SAP). Following the addition of psilocybin and MDMA to Health Canada’s SAP in January, Mydecine launched its Special Access Support and Supply Program for physicians, clinics and hospitals throughout Canada, providing access to cGMP products, protocol training, therapy manuals, and technology to ensure safe and effective therapy outcomes for patients.

On February 16, 2022, the Company announced that research findings with respect to its patent application covering multiple families of psilocin analogs, MYCO-005, indicates this family of molecules includes a psilocin analog that could potentially be considered a heart-safe microdose drug by eliminating a possible known risk factor, connections between psilocybin’s binding affinity to the 5-HT<sub>2B</sub> receptor and heart valve tissue fibrosis. The Company noted that through its ongoing research, one of the psilocin analogs is showing strong binding at the classic psychedelic 5-HT<sub>2A</sub> receptor, but is not binding to the 5-HT<sub>2B</sub> receptor, a strong indication the Company’s psilocin analog could potentially produce the same benefits of natural psilocybin with an increased safety profile for microdosing.

On March 7, 2022, the Company announced that it held a positive meeting with the Food and Drug Administration (FDA) regarding their Investigational New Drug (IND) and breakthrough therapy status applications. The Company reported a meeting with the FDA on February 28, 2022 to review their IND application to administer MYCO-001, in combination with therapy, to humans as part of smoking cessation treatment. The FDA provided helpful feedback on the Company’s study design that it will implement as it works toward preparing the IND submission for the 2B portion of the study.

On March 16, 2022, the Company issued 2,658,768 Common Shares under top-up rights granted pursuant to an agreement between the Company and Mindleap Health Inc., dated June 16, 2020.

On March 31, 2022, the Company announced the closing of the first issuance of Common Shares under a Common Share Subscription Agreement (the “**Subscription Agreement**”) between the Company and a third-party investor in the Company (the “**Investor**”), pursuant to which the Company issued 3,527,337 Common Shares to the Investor at a price of \$0.0945 per Common Share for aggregate gross proceeds of \$333,333.35.

On April 21, 2022, the Company announced the completion of a reverse stock-split, pursuant to which the Company’s Common Shares were consolidated on a 1-for-50 basis (the “**Consolidation**”). The post-Consolidation Common Shares began trading on April 21, 2022.

On May 2, 2022, the Company announced the closing of the second issuance of Common Shares under the Subscription Agreement, pursuant to which the Company issued 1,254,396 Common Shares to the Investor at a price of \$1.35 per Common Share for aggregate gross proceeds of \$1,693,434.60.

## DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED

### Units

Each Unit will be comprised of one Unit Share and one Warrant.

### Common Shares

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As at May 19, 2022, there are 6,624,702 Common Shares issued and outstanding.

For a summary of certain material attributes and characteristics of the Common Shares, see “Description of Share

Capital” in the Base Shelf Prospectus.

## **Warrants**

As at May 19, 2022, there are 39,452,750 common share purchase warrants outstanding to purchase 39,452,750 Common Shares at exercise prices ranging from \$0.07 to \$0.47, with expiry dates ranging from June 21, 2024 to June 9, 2026.

Each Warrant entitles the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$1.40 on or before 5:00 p.m. (Eastern Standard Time) on the date that is 60 months following the Closing Date, after which time the Warrants will be void and of no value.

The Warrants will be created and issued pursuant to the term of the Warrant Indenture. The Company will designate the Warrant Agent, in its Vancouver office, as warrant agent for the Warrants.

The following is a summary of the material provisions of the Warrants to be issued pursuant to the Offering and certain anticipated provisions of the Warrant Indenture. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. Upon execution, a copy of the Warrant Indenture may be obtained on request from the Company’s Corporate Secretary and will be available electronically at [www.sedar.com](http://www.sedar.com) and reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including but not limited to:

- i. the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of Common Shares by way of a stock dividend or other distribution (other than a dividend paid in the ordinary course or a distribution of Common Shares upon the exercise of any outstanding warrants or options);
- ii. the subdivision, redivision or change of the Common Shares into a greater number of shares;
- iii. the consolidation, reduction or combination of the Common Shares into a lesser number of shares;
- iv. the issuance to all or substantially all of the holders of Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per Common Share to the holder (or at an exchange or conversion price per share) of less than 95% of the “current market price”, as defined in the Warrant Indenture, of Common Shares on such record date; and
- v. the issuance or distribution to all or substantially all of the holders of Common Shares of securities, including rights, options or warrants to acquire shares of any class or securities exchangeable or convertible into any such shares or property or assets and including evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events:

- i. the reclassification of the Common Shares;
- ii. the capital reorganization of the Company, other than as described above;
- iii. the amalgamation, arrangement or merger with or into any other corporation or other entity (other than an amalgamation, arrangement or merger which does not result in any reclassification of the Company’s outstanding Common Shares or a change of the Common Shares into other shares); or
- iv. the sale or conveyance of the Company’s property or assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth (1/100th) of a Common Share, as the case may be.

The Company will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, the Company will give notice to Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, a prescribed number of days prior to the record date or effective date, as the case may be, of such event.

No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Any fraction of a Warrant Share will be rounded down to the nearest full Warrant Share, and any holder of Warrants shall not be entitled to any compensation in respect of any such fractional Warrant Share. Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Common Shares.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by “extraordinary resolution”, which will be defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants, cumulatively, and passed by the affirmative vote of holders of Warrants representing not less than 75% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution, or (2) adopted by an instrument in writing signed by the holders of not less than 75% of the aggregate number of all then outstanding Warrants.

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Company; provided, however, that a holder who is a “qualified institutional buyer” within the meaning of Rule 144A under the U.S. Securities Act that is also an “accredited investor” within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act (“**U.S. Accredited Investor**”) at the time of exercise of the Warrants who purchased Units in the Offering, or for the account or benefit of, persons in the United States or U.S. Persons will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that form a part of those Units.

The Warrant Indenture and the Warrants will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

### **Compensation Warrants**

As additional consideration for the services rendered in connection with the Offering, the Company has agreed to issue to the Agents such number of Compensation Warrants as is equal to 7.0% of the aggregate gross proceeds from the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option). Each Compensation Warrant will entitle the holder thereof to purchase one Compensation Warrant Share at an exercise price of \$1.40 per Compensation Warrant Share for a period of 60 months from the Closing Date, subject to customary adjustment in certain circumstances. This Prospectus qualifies the grant of the Compensation Warrants and Compensation Warrant Shares.

### **USE OF PROCEEDS**

If the Over-Allotment Option is exercised in full, the estimated net proceeds to the Company from the Offering will be approximately \$4,028,000, after deducting the Agents’ Fee of \$322,000 and the estimated expenses of the Offering of

\$250,000.

The Company intends to use the net proceeds from the Offering, if any, to fund and develop the Company's intellectual property portfolio, its clinical trials and research partnerships, its continued development and drug pipeline and for general working capital purposes as follows:

Use of Proceeds	Approximate Use of Net Proceeds if the Offering is Completed in Full and no exercise of the Over-Allotment Option	Approximate Use of Net Proceeds if the Offering is Completed as to 50% and no exercise of the Over-Allotment Option	Approximate Use of Net Proceeds if the Offering is Completed as to 15% and no exercise of the Over-Allotment Option
Clinical Trials and Partnerships	\$2,428,582	\$1,121,000	\$214,000
Continued IP Development and Drug Pipeline	\$390,532	\$183,000	\$36,000
Working Capital Purposes <sup>(1)</sup>	\$650,886	\$306,000	\$58,000
<b>Total</b>	<b>\$3,470,000</b>	<b>\$1,610,000</b>	<b>\$308,000</b>

#### Notes

- (1) Includes salary and benefits, professional fees including legal, auditing and tax, costs associated with public listing, regulatory, investor relations and public relations, business and corporate development, travel expenses, office rent, operating and information technology costs, director compensation and director's and officer's insurance premiums. The Company expects that this amount will be used to fund these expenses for a period of approximately between 3 months and 12 months, depending on whether the Offering is completed as to 15% or 100% of the maximum amount. The Company expects to incur additional expenses of this nature over this period which is anticipated to be funded from existing working capital.

Notwithstanding the foregoing, the Company's management will have broad discretion concerning the use of the net proceeds of the Offering. On the basis of results obtained or for other sound business reasons, the Company may re-allocate funds as required. Accordingly, the Company's actual use of proceeds may vary significantly from any proposed use of proceeds disclosed in this Prospectus Supplement. In addition, the Company may, from time to time, issue securities (including equity securities) other than pursuant to this Prospectus Supplement. See "Risk Factors".

If the Over-Allotment Option is exercised in full, the estimated net proceeds to the Company from the Offering, after deducting the Agents' Fee of \$322,000 and the fees and expenses of the Offering estimated to be approximately \$250,000, will be approximately \$4,028,000. The net proceeds from the exercise of the Over-Allotment Option, if any, is expected to be used for general and working capital purposes.

### CONSOLIDATED CAPITALIZATION

Except as otherwise described herein and under "*Prior Sales*" in the Base Shelf Prospectus, there have been no material changes to the Company's share and loan capitalization on a consolidated basis since March 31, 2022, being the date of the Interim Financial Statements.

On February 3, 2022, the Company issued 519,849 Common Shares under top-up rights granted pursuant to an agreement between the Company and NeuroPharm Inc., dated July 14, 2020.

On March 16, 2022, the Company issued 2,658,768 Common Shares under top-up rights granted pursuant to an agreement between the Company and Mindleap Health Inc., dated June 16, 2020.

On March 31, 2022, the Company announced the closing of the first issuance of Common Shares under the Subscription Agreement between the Company and the Investor, pursuant to which the Company issued 3,527,337 Common Shares to the Investor at a price of \$0.0945 per Common Share for aggregate gross proceeds of \$333,333.35.

On April 21, 2022, the Company announced the completion of the Consolidation. The post-Consolidation Common



Shares began trading on April 21, 2022.

On May 2, 2022 the Company announced the closing of the second issuance of Common Shares under the Subscription Agreement, pursuant to which the Company issued 1,254,396 Common Shares to the Investor at a price of \$1.35 per Common Share for aggregate gross proceeds of \$1,693,434.60.

As a result of the Offering, the shareholders' equity of the Company will increase by the amount of the net proceeds of the Offering and the number of Common Shares issued and outstanding will increase by the number of Common Shares distributed under the Offering. See "Plan of Distribution".

## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Miller Thomson LLP, counsel to the Company, and Bennett Jones LLP, counsel to the Agent (collectively, "**Counsel**"), the following summary describes as of the date hereof the principal Canadian federal income tax considerations generally applicable under the *Income Tax Act* (Canada) and the regulations thereunder (the "**Tax Act**") to a holder who acquires, as beneficial owner, Units pursuant to the Offering, and who, for the purposes of the Tax Act and at all relevant times, holds Unit Shares and Warrants, and, if applicable, Warrant Shares acquired upon the exercise of the Warrants, as capital property and deals at arm's length and is not affiliated with the Company, the Agents and any subsequent purchaser of such securities. A holder who meets all of the foregoing requirements is referred to as a "**Holder**" herein, and this summary only addresses such Holders. Generally, Unit Shares, Warrant Shares and Warrants will be considered to be capital property to a Holder, provided the Holder does not hold Unit Shares, Warrant Shares and Warrants in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based upon the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and Counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") published in writing by it prior to the date hereof. This summary assumes the Proposed Amendments will be enacted in the form proposed. However, no assurance can be given that the Proposed Amendments will be enacted in their current form, or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law or any changes in the CRA's administrative policies and assessing practices, whether by legislative, governmental or judicial action or decision, nor does it take into account or anticipate any other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any Holder are made. Consequently, Holders should consult their own tax advisors with respect to the tax consequences applicable to them, having regard to their own particular circumstances.

### *Allocation of Offering Price*

Holders will be required to allocate the aggregate cost of the Unit between the Unit Share and the Warrant comprising of the Unit on a reasonable basis in order to determine their respective costs for the purposes of the Tax Act. The Company intends to allocate as consideration for their issue \$0.821 to each Unit Share and \$0.329 to each Warrant acquired as part of an offered Unit. As of the date of this prospectus, the Company believes that such allocation is reasonable, but such allocation will not be binding on the CRA or a Holder. Counsel expresses no opinion with respect to the foregoing allocation. The adjusted cost base to a Holder of a Unit Share acquired as part of this Offering must be averaged with the adjusted cost base of all Common Shares (if any) held by the Holder as capital property immediately before such acquisition.

### *Exercise of Warrants*

No gain or loss will be realized by a Holder on the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be equal to the aggregate of the Holder's adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of

the Warrant Share so acquired must be averaged with the adjusted cost base to the Holder of all Common Shares (if any) held as capital property immediately before the exercise of the Warrant.

## **Residents of Canada**

The following portion of this summary is generally applicable to a Holder who, for purposes of the Tax Act, is or is deemed to be, resident in Canada at all relevant times (a “**Resident Holder**”). Resident Holders whose Unit Shares or Warrant Shares do not otherwise qualify as capital property may, in certain circumstances, be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have their Unit Shares, Warrant Shares and every other “Canadian security” (as defined in the Tax Act) owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. This election does not apply to Warrants. Resident Holders are advised to consult their own tax advisors to determine whether such an election is available and, if available and desirable in their particular circumstances.

This summary is not applicable to a Resident Holder: (i) that is a “financial institution”, as defined in the Tax Act for the purposes of the “mark-to-market” rules in the Tax Act; (ii) that is a “specified financial institution”, as defined in the Tax Act; (iii) an interest that would be a “tax shelter investment” as defined in the Tax Act; (iv) that has elected to report its Canadian tax results in a currency other than the Canadian currency pursuant to the “functional currency” reporting rules in the Tax Act; (v) that has entered into or enters into, a “derivative forward agreement” or a “synthetic disposition arrangement” in respect of the Unit Shares, Warrants or Warrant Shares; (vi) that receives dividends on Unit Shares or Warrant Shares under or as part of a “dividend rental arrangement”; or (vii) that is a corporation that is (or does not deal at arm’s length within the meaning of the Tax Act with a corporation resident in Canada that is), or that becomes as part of a transaction or event or series of transactions or events that includes the acquisition of Units, controlled by a non-resident person, or a group of non-resident persons not dealing with each other at arm’s length, for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Any such Resident Holder should consult its own tax advisor with respect to an investment in the Units.

### *Expiry of Warrants*

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will be considered to have disposed of such Warrant for nil proceeds and will realize a capital loss equal to the Resident Holder’s adjusted cost base of such Warrant immediately before the disposition. See discussion below under the subheading “*Taxation of Capital Gains and Capital Losses*”.

### *Taxation of Dividends*

A Resident Holder will be required to include in computing income for a taxation year any dividends received, or deemed to be received, in the year by the Resident Holder on the Unit Shares or Warrant Shares. In the case of a Resident Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to taxable dividends received from “taxable Canadian corporations” (as defined in the Tax Act), including the enhanced gross-up and dividend tax credit in respect of dividends designated by the Company as “eligible dividends” in accordance with the provisions of the Tax Act. There may be limitations on the Company’s ability to designate any particular dividend as an “eligible dividend”.

A dividend received or deemed to be received on the Unit Shares or Warrant Shares by a Resident Holder that is a corporation must be included in computing its income but will generally be deductible in computing the corporation’s taxable income, subject to all of the rules and restrictions under the Tax Act in that regard. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors, having regard to their own circumstances.

A corporation that is a “private corporation” (as defined in the Tax Act) or a “subject corporation” (for purposes of Part IV of the Tax Act), may be liable to pay an additional tax (refundable under certain circumstances) under Part IV of the Tax Act on dividends received or deemed to be received on the Unit Shares or Warrant Shares in a year to the extent such dividends are deductible in computing such Resident Holder’s taxable income for the year.

Resident Holders who are individuals (other than certain trusts) may be subject to a minimum tax in respect of dividends. See discussion below under the subheading “*Minimum Tax*”.

#### *Dispositions of Unit Shares, Warrants and Warrant Shares*

A Resident Holder who disposes, or is deemed to dispose, of a Unit Share or a Warrant Share (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by a member of the public in an open market), or a Warrant (other than on the expiry or exercise thereof) generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base to the Resident Holder of such Unit Shares, Warrants or Warrant Shares, as the case may be, immediately before the disposition or deemed disposition. The taxation of capital gains and losses is generally described below under the subheading “*Taxation of Capital Gains and Capital Losses*”.

The adjusted cost base to a Resident Holder of a Common Share acquired pursuant to the Offering (as a Unit Share or as a Warrant Share upon the exercise of a Warrant) will, at any particular time, be determined in accordance with certain rules in the Tax Act by averaging the cost of such Common Share with the adjusted cost base of all Common Shares owned by the Resident Holder as capital property at that time, if any.

#### *Taxation of Capital Gains and Capital Losses*

Generally, a Resident Holder is required to include in computing income for a taxation year one-half of the amount of any capital gain (a “**taxable capital gain**”) realized by the Resident Holder in such taxation year. Subject to and in accordance with the rules contained in the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a particular taxation year against taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains realized in a particular taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition or deemed disposition of a Unit Share or Warrant Share may be reduced by the amount of any dividends received or deemed to have been received by such Resident Holder on such shares (or shares for which such shares have been exchanged in certain circumstances), to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns Unit Shares or Warrant Shares, directly or indirectly, through a partnership or trust. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) throughout the relevant year or a “substantive Canadian-controlled private corporation” at any time in the relevant tax year (as defined in the Proposed Amendments contained in the 2022 Government of Canada budget) may be liable to pay an additional tax (refundable in certain circumstances) on certain investment income, including amounts in respect of net taxable capital gains. Such Resident Holders should consult their own tax advisors.

Resident Holders who are individuals (other than certain trusts) may be subject to a minimum tax in respect of capital gains. See discussion below under the subheading “*Minimum Tax*”.

#### *Minimum Tax*

Capital gains realized and dividends received or deemed to be received by a Resident Holder that is an individual or a trust, other than certain specified trusts, may result in such Resident Holder being liable for minimum tax under the Tax Act. Resident Holders should consult their own tax advisors for specific advice in this regard.

#### **Non-Residents of Canada**

The following portion of this summary is generally applicable to a Holder who, for the purposes of the Tax Act and any

applicable tax treaty or convention, at all relevant times: (i) is neither resident nor deemed to be, resident in Canada, (ii) does not use or hold, and will not be deemed to use or hold any Unit Shares, Warrant Shares or Warrants in connection with the carrying on of business in Canada, (iii) is not a “foreign affiliate” (as defined in the Tax Act) of a taxpayer resident in Canada, (iv) is not a person who carries on an insurance business in Canada and elsewhere, and (v) is not an “authorized foreign bank” (as defined in the Tax Act). A Holder who meets all of the foregoing requirements is referred to herein as a “**Non-Resident Holder**”, and this portion of the summary only addresses such Non-Resident Holders.

#### *Expiry of Warrants*

In the event of the expiry of an unexercised Warrant, a Non-Resident Holder generally will be considered to have disposed of such Warrant for nil proceeds and will realize a capital loss equal to the Non-Resident Holder’s adjusted cost base of such Warrant immediately before the disposition. The tax treatment of capital losses of a Non-Resident Holder is discussed in greater detail below under the subheading “*Disposition of Common Shares and Warrants*”.

#### *Taxation of Dividends*

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company on the Unit Shares or Warrant Shares are subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend, unless reduced by the terms of an applicable tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident. For example, under the *Canada-United States Tax Convention* (1980), as amended (the “**Treaty**”), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the United States for purposes of the Treaty, is the beneficial owner of the dividends and is fully entitled to benefits under the Treaty (a “**U.S. Holder**”) is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company’s voting shares). The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting, of which Canada is a signatory, affects many of Canada’s bilateral tax treaties, including the ability to claim benefits thereunder. Non-Resident Holders should consult their own tax advisors in this regard.

#### *Dispositions of Unit Shares, Warrants and Warrant Shares*

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of a capital gain realized on a disposition or deemed disposition of a Unit Share, a Warrant or a Warrant Share, nor will capital losses arising therefrom be recognized under the Tax Act, unless such Unit Share, Warrant Share or Warrant constitutes “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition, and the Non-Resident Holder is not entitled relief under an applicable income tax treaty or convention.

Generally, a Unit Share, Warrant Share or Warrant (as applicable) will not constitute taxable Canadian property of a Non-Resident Holder provided that the Common Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which currently includes the NEO and the FRA) at the time of disposition unless at any time during the 60-month period immediately preceding the disposition the following two conditions are satisfied concurrently: (i) at least 25% of the issued shares of any class or series of the capital stock of the Company were owned by or belonged to any combination of: (a) the Non-Resident Holder; (b) persons with whom the Non-Resident Holder did not deal at arm’s length; (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships; or (d) any combination of the persons and partnerships described in (a) through (c); and (ii) more than 50% of the fair market value of such shares was derived directly or indirectly from one or any combination of: (a) real or immovable property situated in Canada, (b) “Canadian resource properties”, (c) “timber resource properties” (each as defined in the Tax Act), or (d) options in respect of, or interests in or for civil law rights in such properties, whether or not such properties exist. Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, the Unit Shares, Warrant Shares or Warrants may be deemed to be taxable Canadian property.

In cases where a Non-Resident Holder disposes, or is deemed to dispose, of a Unit Share, a Warrant (other than on the exercise thereof) or a Warrant Share that is taxable Canadian property of that Non-Resident Holder, and the Non-Resident Holder is not entitled to an exemption from tax under the Tax Act or pursuant to the terms of an applicable income tax treaty or convention, the consequences of realizing a capital gain on such disposition are described under the heading “*Taxation of Resident Holders – Capital Gains and Capital Losses*”. Non-Resident Holders who may hold Unit Shares, Warrants or Warrant Shares as taxable Canadian property should consult their own tax advisors.

## Eligibility for Investment

In the opinion of Counsel, based on the provisions of the Tax Act and any specific Proposed Amendments, the Unit Shares, Warrants and Warrant Shares, if issued on the date hereof, would be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (“RRSP”), registered education savings plan (“RESP”), registered retirement income fund (“RRIF”), registered disability savings plan (“RDSP”) and tax-free savings account (“TFSA”), all within the meaning of the Tax Act (collectively, “Plans”), and a deferred profit sharing plan provided that, at such time:

- (i) in the case of the Unit Shares and Warrant Shares, the Common Shares are listed on a “designated stock exchange” as defined in the Tax Act (which includes the NEO and the FRA); and
- (ii) in the case of the Warrants, either (a) the Warrants are listed on a “designated stock exchange” as defined in the Tax Act (which includes the NEO and the FRA), or (b) the Common Shares are listed on a “designated stock exchange” as defined in the Tax Act (which includes the NEO and the FRA) and neither the Company nor any person with whom the Company does not deal at arm’s length, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of the particular Plan.

Notwithstanding the foregoing, if the Unit Shares, Warrant Shares and Warrants are a “prohibited investment” (as defined in the Tax Act) for a Plan, the annuitant under an RRSP or RRIF, the subscriber of an RESP or the holder of an RDSP or a TFSA will be subject to a penalty tax as set out in the Tax Act. The Unit Shares, Warrant Shares and Warrants will generally not be a “prohibited investment” provided that such holder, subscriber or annuitant, as the case may be, deals at arm’s length with the Company for purposes of the Tax Act and does not have a “significant interest” in the Company (within the meaning of such prohibited investment rules in the Tax Act). In addition, the Unit Shares, Warrant Shares and Warrants will not be a “prohibited investment” if such securities are “excluded property” (as defined in the Tax Act for the purposes of these rules), for the particular RRSP, RRIF, RESP, RDSP or TFSA. **Prospective purchasers who intend to hold Unit Shares, Warrant Shares or Warrants in an RRSP, RRIF, RESP, RDSP or TFSA should consult their own tax advisors as to whether such securities will be prohibited investments in their particular circumstances.**

## PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Company has appointed the Agents to offer for sale on a best efforts basis to the public up to 3,478,260 Units (not including Units issued pursuant to the Over-Allotment Option) at a price of \$1.15 per Unit payable in cash to the Company against delivery of the Units. The Offering Price was determined by negotiation between the Company and the Agents. Closing of the Offering is anticipated to occur on or about May 25, 2022 subject to the conditions of closing being met, or such earlier or later date as the Company and the Agents may agree. There can be no assurance that any or all of the Units being offered will be sold.

The obligations of the Agents under the Agency Agreement may be terminated by the Agents at any time at its sole discretion on the basis of its assessment of the state of the financial markets and on the occurrence of certain stated events. While the Agents have agreed to use their best efforts to sell the Units offered hereby, the Agents are not obligated to purchase Units that are not sold.

The Company has granted the Agents the Over-Allotment Option, exercisable in whole or in part at any time and from time to time on the Closing Date or for a period of 30 days following the Closing Date, to offer for sale such number of additional Units as is equal to 15% of the number of Units issued under the Offering, solely to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Agents in respect of Over-Allotment Units at the Offering Price, Over-Allotment Shares at a price of \$0.821 per Over-Allotment Share, Over-Allotment Warrants at a price of \$0.329 per Over-Allotment Warrant and/or any combination of Over-Allotment Units, Over-Allotment Shares and/or Over-Allotment Warrants so long as the aggregate number of Over-Allotment Units, Over-Allotment Shares and/or Over-Allotment Warrants does not exceed 15% of the number of Units issued under the Offering (excluding those pursuant to the Over-Allotment Option). This Prospectus Supplement qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Units, Over-Allotment Shares and/or the Over-Allotment Warrants. A purchaser who acquires securities forming part of the Agents’ over-allocation position acquires those securities under this Prospectus Supplement, regardless of whether such over-allocation position is

ultimately filled through the exercise of the Over-Allotment Option or through secondary market purchases.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Pursuant to the Agency Agreement, the Company appointed the Agents to offer the Units to the public pursuant to the securities legislation of all provinces in Canada other than Québec. The Units may also be offered for sale in the United States through the U.S. Placement Agent pursuant to exemptions from the registration requirements under the U.S. Securities Act and applicable state laws. In addition, the Agents are entitled to offer the Units outside of Canada and the United States to non-U.S. persons provided that the Agents shall not take any action in connection with the distribution of the Units that would result in the Company being obligated to comply with the prospectus, registration, reporting or other similar requirements of the securities laws of any jurisdiction.

In consideration of such services, the Company has agreed to pay the Agents' Commission of 7.0% of the gross proceeds of the Offering sold by the Agents, including any proceeds raised through the sale of Units pursuant to the exercise of the Over-Allotment Option.

The Company has also agreed to grant such number of Compensation Warrants to the Agents as is equal to 7.0% of the aggregate number of Units issued pursuant to the Offering, including those Units issued pursuant to the Over- Allotment Option. Each whole Compensation Warrant shall be exercisable for a period of 60 months following the Closing Date for one Compensation Warrant Share at an exercise price equal to the Offering Price. This Prospectus Supplement qualifies the grant of the Compensation Warrants and the Compensation Warrant Shares.

The amount of the Agents' Fee payable, and number of the Compensation Warrants issuable, to the Agent may be adjusted downwards in respect of Units settled with purchasers directly by the Company.

The Offering will be conducted under the book entry system of CDS; accordingly, a subscriber who purchases Units will only receive a customer confirmation from the registered dealer that is a CDS participant from or through whom Units are purchased. CDS will record the CDS participants who hold securities on behalf of owners who have purchased or transferred securities in accordance with the book entry system. Certificates evidencing Unit Shares, Warrants and Warrant Shares will not be issued unless a request for a certificate is made to the Company.

The Company has applied to the NEO for approval of the Offering and the listing of the Unit Shares, the Warrant Shares, the Over-Allotment Shares, the Over-Allotment Warrant Shares and the Compensation Warrant Shares and the Warrants distributed under this Prospectus Supplement. The completion of the Offering will be subject to the Company meeting the requirements of the NEO, including distribution of the Warrants to a minimum number of public securityholders.

The Company has agreed to indemnify the Agents and their respective directors, officers, employees, shareholders and agents against any and all fees, costs, expenses, losses, claims, actions, damages, fines, penalties, or liabilities of any nature whatsoever, joint or several, that arise out of or are based, directly or indirectly, upon the performance of the professional services rendered to the Company by the Agents or their respective directors, officers, employees, shareholders or agents pursuant to the Agency Agreement. This indemnity does not apply to the extent such fees, costs, expenses, losses, claims, actions, damages, fines, penalties, or liabilities as to which indemnification is claimed arise solely out of gross negligence or wilful misconduct in the performance of such professional services.

The Company has agreed not to directly or indirectly, for a period of 90 days after the Closing Date, without the prior written consent of the Agents, such consent not to be unreasonably withheld, conditioned or delayed, issue any Common Shares or securities or other financial instruments convertible into or having the right to acquire Common Shares or enter into any agreement or arrangement to acquire or transfer to another, in whole or in part, any of the economic consequences of ownership of Common Shares, whether that agreement or arrangement may be settled by the delivery of Common Shares or other securities or cash, or agree to become bound to do so, or disclose to the public any intention to do so; provided that the foregoing restrictions shall not apply to the issuance of Common Shares or securities or other financial instruments convertible into, or exchangeable for, Common Shares in connection with (i) the exchange, transfer, conversion or exercise rights of existing outstanding securities of the Company or any material subsidiary, (ii) stock options or other compensation securities granted under the Company's incentive compensation plans, (iii) any existing commitment to issue securities of the Company, (iv) the Offering, or (v) an arm's length acquisition (including

to acquire assets or intellectual property rights).

The Company has also agreed to cause each director and officer of the Company to enter into lock up agreements in favour of the Agents evidencing their agreement not to, for a period of 90 days following the Closing Date, subject to the exceptions set forth therein, sell, transfer or pledge, or agree to sell, transfer or pledge (or announce any intention to do so), any Common Shares or securities exchangeable or convertible into Common Shares without the prior written consent of the Agents, such consent not to be unreasonably withheld or delayed.

The Agents may not, throughout the period of distribution, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions, on the conditions that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Common Shares. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution.

This Prospectus Supplement (and the accompanying Base Shelf Prospectus) does not constitute an offer to sell or a solicitation of an offer to buy any of the Units offered herein in the United States or to, for the account or benefit of, a U.S. Person. The Units have not been and will not be registered under the U.S. Securities Act or state securities laws and may not be offered or sold in the United States except in a transaction exempt from the registration requirements of the U.S. Securities Act and all applicable state securities laws. Each Agent has agreed that, except as permitted under the Agency Agreement, it will not offer or sell the Units at any time within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from the registration under the U.S. Securities Act. The Agency Agreement permits the Agents, acting through a registered U.S. broker-dealer, to offer the Units for sale pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act in the United States to Qualified Institutional Buyers that are also U.S. Accredited Investors, and in compliance with similar exemptions under applicable state securities laws. Moreover, the Agency Agreement provides that the Agents will offer and sell the Units outside the United States only in accordance with Regulation S under the U.S. Securities Act. The Company may also make offers and sales in the United States or to, for the account or benefit of U.S. Persons on a non-brokered basis to U.S. Accredited Investors. The Units that are sold in the United States or to, or for the account or benefit of, U.S. Persons will be restricted securities within the meaning of Rule 144(a)(3) of the U.S. Securities Act and may only be offered, sold or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and similar exemptions under applicable state securities laws.

In addition, until 40 days after commencement of the Offering, an offer or sale of the Units within the United States by any dealer (whether or not participating in the Offering) may violate the registration provisions of the U.S. Securities Act unless such offer is made pursuant to an exemption from registration under the U.S. Securities Act and similar exemptions under applicable state securities laws.

## TRADING PRICE AND VOLUME

Prior to March 23, 2021, the Common Shares and the common share purchase warrants issued on February 12, 2021 (the “**2021 Warrants**”) traded on the Canadian Stock Exchange (“**CSE**”). On March 23, 2021, the Common Shares and 2021 Warrants migrated from the CSE and were listed on the NEO under the trading symbol “**MYCO**” and “**MYCO.WT**”, respectively. The Common Shares also trade on the OTC Pink Sheets under the symbol “**MYCOF**” and the Frankfurt Stock Exchange under the symbol “**ONFA**”. The following charts set out the high and low trading prices, and volume of Common Shares and 2021 Warrants traded on the CSE and NEO, on a monthly basis, for the 12-month period prior to the date of this Prospectus:

NEO Common Share Price Range			
Month / Year	High (\$)	Low (\$)	Total Volume
May 2021	0.430	0.315	15,847,887
June 2021	0.445	0.240	26,231,111
July 2021	0.600	0.355	32,993,196

August 2021	0.520	0.440	16,390,827
September 2021	0.470	0.315	17,064,662
October 2021	0.400	0.285	11,527,645
November 2021	0.310	0.175	27,575,094
December 2021	0.195	0.130	16,899,142
January 2022	0.295	0.130	21,529,534
February 2022	0.210	0.130	13,552,767
March 2022	0.155	0.085	17,496,660
April 2022 <sup>(1)</sup>	2.650	0.030	28,528,880
May 1-19, 2022 <sup>(1)</sup>	1.600	0.840	1,080,622

**Notes**

- (1) In accordance with the Share Consolidation on April 22, 2022, as indicated in “*Recent Developments*”, the Common Shares and per Common Share amount disclosed for the month of April reflect the Share Consolidation on the basis of one post-Share Consolidation Common Share for each fifty pre-Share Consolidation Common Shares.

<b>NEO 2021 Warrant Price Range</b>			
<b>Month / Year</b>	<b>High (\$)</b>	<b>Low (\$)</b>	<b>Total Volume</b>
May 2021	0.130	0.105	214,177
June 2021	0.165	0.090	992,383
July 2021	0.190	0.110	1,620,731
August 2021	0.210	0.110	529,811
September 2021	0.145	0.095	259,156
October 2021	0.135	0.090	49,533
November 2021	0.180	0.020	250,645
December 2021	0.115	0.020	536,864
January 2022	0.070	0.030	489,067
February 2022	0.050	0.030	86,000
March 2022	0.030	0.005	2,198,500
April 1-26, 2022 <sup>(1)</sup>	0.015	0.005	623,238
May 1-19, 2022 <sup>(1)</sup>	0.010	0.005	19,000

**Notes**

- (1) In accordance with the Share Consolidation on April 22, 2022, as indicated in “*Recent Developments*”, the Common Shares and per Common Share amount disclosed for the month of April reflect the Share Consolidation on the basis of one post-Share Consolidation Common Share for each fifty pre-Share Consolidation Common Shares.

## **RISK FACTORS**

An investment in securities of the Company is speculative and subject to a number of risks, including those set forth in the Annual Information Form, and in the MD&A for the Company’s most recently completed financial year and in the Base Shelf Prospectus under “Risk Factors”. The occurrence of any one of these risks could have a material adverse effect on the Company’s business, financial condition, results of operations and prospects. In these circumstances, the market price of the Company’s securities could decline, and you may lose all or part of your investment. These risks are not the only risks the Company faces; risks and uncertainties not currently known to the Company or that it currently deems to be immaterial may also materially and adversely affect the Company’s business, financial condition, results of



operations and prospects. Investors should also refer to the other information set forth or incorporated by reference in this Prospectus Supplement and the Base Shelf Prospectus. This Prospectus Supplement also contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors. See "*Cautionary Note Regarding Forward-Looking Information*". Prospective investors should carefully consider these risks in addition to information contained in this Prospectus Supplement and the information incorporated by reference herein, as well as the following risk factors, before purchasing securities of the Company.

### **No Certainty Regarding Completion of the Offering**

The completion of the Offering remains subject to a number of conditions, and there can be no certainty that the Offering will be completed. If the Offering is not completed, the Company may not be able to raise the funds set out herein for the purposes contemplated under "*Use of Proceeds*" from other sources on commercially reasonable terms, or at all.

### **Broad Discretion in the Use of Proceeds**

Management of the Company will have broad discretion in the application of the net proceeds from the Offering pursuant to the Prospectus and could spend the proceeds in ways that do not improve the Company's results of operations or enhance the value of the Common Shares. The failure by management to apply the net proceeds effectively could result in financial losses that could have a material adverse effect on the Company and cause the price of the Common Shares to decline. Pending their use, management may apply the net proceeds from the Offering in a manner that does not produce income or that loses value.

### **No Assurance of Active or Liquid Market for Common Shares**

No assurance can be given that an active or liquid trading market for the Common Shares will be sustained. If an active or liquid market for the Common Shares fails to be sustained, the prices at which such shares trade may be adversely affected and holders of Common Shares may be unable to sell their investment on satisfactory terms.

### **Significant Sales of Common Shares**

Significant sales of Common Shares, or the availability of such securities for sale, could adversely affect the prevailing market prices for the Common Shares. A decline in the market prices of the Common Shares could impair the Company's ability to raise additional capital through the sale of securities should it desire to do so.

### **Positive Return Not Guaranteed**

There is no guarantee that the Common Shares will earn any positive return in the short term or long term. A holding of Common Shares is highly speculative and involves a high degree of risk and should be undertaken only by holders whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. A holding of Common Shares is appropriate only for holders who have the capacity to absorb a loss of some or all of their holdings.

### **Speculative Nature of Investment Risk**

An investment in the securities of the Company carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future.

## **AUDITORS**

MNP LLP at its principal office located at 1155 René-Lévesque Blvd W, Montreal, QC, H3B 3X7, are the auditors of the Company. MNP LLP confirmed that they are independent with respect to the Company in accordance with the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

## **REGISTRAR AND TRANSFER AGENT**

The transfer agent and registrar for the Common Shares is National Securities Administrators Ltd. at its principal office located at Suite 760, 777 Hornby Street, Vancouver, BC, V6Z 1S4.

## **EXEMPTION**

Pursuant to a decision of the Autorité des marchés financiers dated January 18, 2022, the Company was granted a permanent exemption from the requirement to translate into French the Base Shelf Prospectus, this Prospectus Supplement and the documents incorporated by reference herein and therein. This exemption was granted on the condition that the Base Shelf Prospectus and any Prospectus Supplement (other than in relation to an “at-the-market distribution”) be translated into French if the Company offers Securities (as defined under the Base Shelf Prospectus) to Québec purchasers in connection with an offering other than in relation to an “at-the-market distribution”.

## **LEGAL MATTERS AND INTERESTS OF EXPERTS**

Certain legal matters in connection with the Offering will be passed upon on behalf of the Company by Miller Thomson LLP, and on behalf of the Agent by Bennett Jones LLP. As of the date of this Prospectus Supplement, the “designated professionals” (as such term is defined in Form 51-102F2 – Annual Information Form) of Miller Thomson LLP, as a group, and of Bennett Jones LLP, as a group, each beneficially own, directly or indirectly, less than 1% of the issued and outstanding Common Shares.

## **PURCHASERS’ STATUTORY RIGHTS**

The following is a description of a purchaser’s statutory rights in connection with any purchase of securities of the Company pursuant to the Offering, which supersedes and replaces the statement of purchasers’ rights included in the Base Shelf Prospectus.

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus or prospectus supplement (including a pricing supplement) relating to the securities purchased by a purchaser and any amendment thereto. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus or prospectus supplement (including any pricing supplement) relating to the securities purchased by a purchaser and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal adviser.

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the warrants are offered to the public under the offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon the exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of this right of action for damages or consult with a legal adviser.

**CERTIFICATE OF MYDECINE INNOVATIONS GROUP INC.**

Dated: May 20, 2022

The Base Shelf Prospectus, together with the documents incorporated in the Base Shelf Prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the Base Shelf Prospectus and this Prospectus Supplement as required by the securities legislation of each of the provinces of Canada, other than Québec.

Per: (Signed) "David Joshua Barch"  
**David Joshua Barch**  
Chief Executive Officer

Per: (Signed) "Dean Ditto"  
**Dean Ditto**  
Chief Financial Officer

On behalf of the Board of Directors of  
Mydecine Innovations Group Inc.

Per: (Signed) "Gordon Neal"  
**Gordon Neal**  
Director

Per: (Signed) "Dr. Saeid Babaei"  
**Dr. Saeid Babaei**  
Director

## CERTIFICATE OF THE AGENTS

Dated: May 20, 2022

To the best of our knowledge, information and belief, the Base Shelf Prospectus, together with the documents incorporated in the Base Shelf Prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the Base Shelf Prospectus and this Prospectus Supplement as required by the securities legislation of each of the provinces of Canada, other than Québec.

**STIFEL NICOLAUS CANADA INC.**

**ROTH CANADA, INC.**

Per: (signed) "Brandon Roopnarinesingh"  
Name: Brandon Roopnarinesingh  
Title: Director, Investment Banking

Per: (signed) "Braden Fletcher"  
Name: Braden Fletcher  
Title: President