FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: *BetterLife Pharma Inc. (the “Company” or the “Issuer”)*

Trading Symbol: *BETR*

Number of Outstanding Listed Securities: *172,109,851 common shares*

Date: June 5*, 2020*

**Report on Business**

1. Provide a general overview and discussion of the development of the Issuer’s business and operations over the previous month. Where the Issuer was inactive disclose this fact.

*Licensing, Merger and Acquisition*

*On May 7, 2020, BetterLife entered into an agreement (“Licensing Agreement”) to acquire worldwide rights (other than in Greater China, Japan and ASEAN countries) to commercialize and sell AP-003, a potential COVID-19 treatment, from Altum Pharmaceuticals Inc. (“Altum”). AP-003 is an Interferon a2b (“IFNa2b”) based potential treatment that is proposed to be administered using a Metered Dose Inhaler (“MDI”) or a nebulizer. Closing of the agreement would require BetterLife to issue 10,000,000 common shares to Altum and grant to Altum 5,000,000 warrants to acquire an equivalent number of common shares at a price of $0.19 per common share. Closing is contingent on, among other things, BetterLife undertaking an equity financing of at least US$5,000,000 and Altum obtaining an exclusive license with respect to certain intellectual property from a Canadian governmental research and technology organization.*

*On May 25, 2020, BetterLife secured “hard” lock-up agreements from shareholders of Altum, representing 67.12% of the outstanding common shares of Altum, as it had reason to believe that the independent members of the Board of Altum were attempting to cancel the Licensing Agreement with BetterLife. Pursuant to the terms of the proposed acquisition, BetterLife would issue 4.582 common shares of BetterLife for each Altum common share, which represents approximately $36.1 million in value based on the proposed share exchange at May 25, 2020. The proposed transaction to acquire all the shares of Altum is subject to the receipt of all required approvals and with BetterLife being satisfied with the results of its due diligence. Should Altum be acquired by BetterLife, Altum would become a wholly-owned subsidiary of BetterLife and BetterLife would have the ability to use and exploit all of Altum’s assets. Accordingly, should BetterLife acquire Altum, the Licensing Agreement would no longer be required and neither BetterLife nor Altum would have any obligations thereunder.*

***The Company is not making any express or implied claims that AP-003 or any other product has the ability to eliminate, cure or contain the COVID-19 (or SARS-2 Coronavirus). Further, the safety and efficacy of AP-003 are under investigation and market authorization has not yet been obtained.***

*During May 2020, BetterLife’s Board of Directors initiated a process to evaluate a range of strategic alternatives available to the Company. Subject to completion of its transaction with Altum, BetterLife intends to focus its business on the treatment of COVID-19 and is looking at opportunities to maximize the value of its other existing business. BetterLife has not established a definitive timeline to complete the strategic review and no decisions related to any strategic alternative have been reached. There is no assurance that any strategic transaction or transactions will result from the strategic review.*

*Executive and Advisory Team*

*In conjunction with the Licensing Agreement entered into with Altum, BetterLife appointed Dr. Mark Swaim to the Board of Directors of its wholly-owned subsidiary, BLife Therapeutics Inc., which is focused on the prevention of severe COVID-19 disease. Dr. Swaim earned his MD in the NIH-sponsored Medical Scientist Training Program at Duke University., and a PhD in biochemistry and cell biology. At Duke University, Dr. Swaim completed research and clinical fellowships in gastroenterology and transplant hepatology and has extensive experience in leading clinical trials for a large number of pharma companies and speaking nationally on interferon therapeutics for virus hepatitis.*

*BetterLife also appointed Dr. Eleanor Fish to its Scientific Advisory Board. Dr. Fish is a Professor, Department of Immunology, University of Toronto, Associate Chair, International Initiatives & Collaborations, University of Toronto and Emerita Scientist, Toronto General Hospital Research Institute, University Health Network. Dr. Fish received a B.Sc. from the University of Manchester, U.K., an M.Phil. from King’s College, University of London, U.K. and a Ph.D. from the Institute of Medical Sciences at the University of Toronto, Canada. Dr. Fish is a Fellow of the American Academy of Microbiologists and a Fellow of the African Academy of Sciences. Dr. Fish is the principle author of the paper published on Friday May 15, 2020 in Frontiers of Immunology titled “Interferon-α2b Treatment for COVID-19”.*

*Other leadership change included the appointment of Mr. Ralph Anthony Pullen to BetterLife’s Board of Directors, replacing Mr. Krisztian Toth.*

1. Provide a general overview and discussion of the activities of management.

*Please see Item 1.*

1. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

*N/A.*

1. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

*N/A.*

1. Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

*Please see Item 1.*

1. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer’s affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

*N/A.*

1. Describe any acquisitions by the Issuer or dispositions of the Issuer’s assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

*Please see Item 1.*

1. Describe the acquisition of new customers or loss of customers.

*N/A*

1. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

*As disclosed in the Company’s March 2020 monthly report, BetterLife assigned its membership interest in Pivot Naturals, LLC (“Pivot Naturals”) pursuant to settlement of a legal matter with former executives of Pivot Naturals. With the assignment of Pivot Naturals, BetterLife exited the cannabis industry in California. As a result of the exit, the Company reduced its expectations of cash flows from the use of its Ready-to-Infuse RTIC patents and recorded an impairment loss on these patents of $6,625,246 in its audited consolidated financial statements for the year ended January 31, 2020 (filed with the Canadian Securities Exchange on June 1, 2020).*

*BetterLife received a Notice of Allowance from the United States Patent and Trademark Office for a pending patent application related to a method for making powderized cannabis oil.*

1. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

*N/A.*

1. Report on any labour disputes and resolutions of those disputes if applicable.

*N/A.*

1. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

*N/A.*

1. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

*N/A.*

1. Provide details of any securities issued and options or warrants granted.

*In May 2020, the Company re-priced the following warrants issued pursuant to financings completed in 2019:*

* *13.868 million warrants with an original exercise price of $0.35, issued on May 30, 2019 and expiring on May 29, 2021,*
* *46.132 million warrants with an original exercise price of $0.35, issued on May 15, 2019 and expiring on May 14, 2021, and*
* *6.950 million warrants, with an original exercise price of $0.30, issued on April 8, 2019 and expiring on March 16, 2022.*

*The warrants were re-priced to have exercise price of $0.25.*

*BetterLife granted 2,900,000 stock options, with terms of five (5) years and exercise prices ranging between $0.18 and $0.26, to officers, directors, consultants and members of Altum key to the clinical trials related to the Licensing Agreement. The Company also granted 200,000 restricted stock units to an advisor.*

1. Provide details of any loans to or by Related Persons.

*N/A.*

1. Provide details of any changes in directors, officers or committee members.

*Please see Item 1.*

1. Discuss any trends which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.

*On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. BetterLife’s business and its financial condition may be adversely impacted by the effects of COVID-19 and other infectious diseases. The extent to which COVID-19 and other infectious diseases may impact BetterLife’s business, operations, financial condition and the market for its securities will depend on future developments and government responses, which are highly uncertain and cannot be predicted. These include the duration, severity and scope of the outbreak and the actions taken by governmental entities to address and mitigate the pandemic. The Company’s business and operations could be adversely affected by the continued global spread of COVID-19 and any government actions to slow the spread of the infectious disease. Areas that may be impacted include, but without limitation, workforce productivity and health, disruptions to supply chains, limitations on travel and ability to successfully commercialize the Company’s product portfolios and deliver end products to customers.*

**Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated June 5, 2020

 Moira Ong
Name of Director or Senior Officer

 *“Moira Ong”*
Signature

Chief Financial Officer
Official Capacity

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| ***Issuer Details***Name of IssuerBetterLife Pharma Inc. | For Month EndMay 2020 | Date of ReportYY/MM/DD2020/06/05 |
| Issuer Address1275 West 6th Avenue, #300 |
| City/Province/Postal CodeVancouver, BC V6H 1A6 | Issuer Fax No.( ) | Issuer Telephone No.(604) 221-0595 |
| Contact NameMoira Ong | Contact PositionCFO | Contact Telephone No.604-551-5178 |
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