



FORM 7

NOVEMBER MONTHLY PROGRESS REPORT

Name of CSE Issuer: *MOUNTAIN VALLEY MD HOLDINGS INC. (formerly Meadow Bay Gold Corporation) (“MVMD” or the “Company”).*

Trading Symbol: *MVMD*

Number of Outstanding Listed Securities: 249,318,761

Date: December 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.

The Company has continued throughout the month of November 2020 to develop its intellectual property assets, making progress within its nutraceutical and pharmaceutical applications, including potential drug and vaccine advancements.

NEW PATENT APPLICATION FILED – WATER SOLUBILITY OF IVERMECTIN

One outcome of the testing and other research and development activities of the Company has been the discovery of the water-solubility of a drug called ivermectin, and the resulting filing of a patent by the Company. On November 11, 2020, the Company announced that it had confirmed the ability to make the drug ivermectin water-soluble without the use of organic solvents, which may enable the drug to be dosed by injection or inhalation in humans.

The Company believes the implications of this achievement will allow for significantly improved dosing by injection, orally consumed enteric coated capsules, and/or inhalation and, based on a recent ICON study (the “ICON Study”), may offer a potentially significant therapeutic in the fight against COVID-19. The ICON Study confirmed that the use of ivermectin is associated with a lower mortality in hospitalized COVID-19 patients despite being limited to an orally dosed tablet with poor bioavailability, an issue that MVMD believes would be directly addressed with the Company’s discovery.*

Ivermectin is a well-documented anti parasitic drug being used globally in both veterinary and human medicine and its uses are being broadened to include such applications as an anti-malarial. Billions of world-wide doses annually are utilized in underdeveloped countries to protect most domestic and husbandry animals from parasites including poultry, pigs, cattle and horses. Ivermectin has documented limitations due to its poor solubility in water (.005 mg/ml), thereby requiring the use of toxic organic solvents such

as glycerol formal and ethanol, eliminating the possibility of FDA approval for a human injectable form or a more bio-available oral solution.

*MVMD scientists, while working on improving the inclusion of ivermectin into the Company's patented Quicksome™ delivery system, made the discovery that they were able to make ivermectin highly water-soluble without the use of organic solvents, improving its water solubility by nearly 5,000 times**. The Company believes that this result would eliminate the main limiter of the drug ivermectin to achieve stronger pharmacokinetics and better overall efficacy.*

Further, the new discovery uses only excipients that are currently approved by the US Food and Drug Administration (FDA). As the Company's strategy is to license its intellectual property to global pharmaceutical, vaccine and nutraceutical third parties, MVMD believes this discovery provides additional advantages to potential licensees as it may enable them to obtain FDA approvals more quickly based on there being fewer approval steps required for immediate applications in human and animal dosing.

*According to The National Center for Biotechnology Information abstract dated October 7, 2020 (Ivermectin: an award-winning drug with expected antiviral activity against COVID-19***), the potential for ivermectin to be an antiviral agent for COVID-19 and other emerging viral diseases is based on the ability to overcome its property of poor water solubility and consequential low oral bioavailability. Appropriate drug formulations must address the poor water-solubility of ivermectin and the difficulty in delivering the drug to desired target areas, notably the pulmonary environment.*

*According to Fior Market Research's (FMR) Global Ivermectin Medication Market Insights research report****, the COVID-19 virus has been found to impact the lungs of patients directly and cause inflammation to several organs. Ivermectin medication has been used for treatment in various viruses such as RNA, Influenza A, Zika Virus, dengue, yellow fever, equine herpesvirus, new castle and others, which had similar symptoms on the human body as that of COVID-19. It has antiviral effects, which provides relief to slow down the effect of symptoms on the body. With several studies and research conducted on the potential contribution of ivermectin, it has been termed as an inhibitor of the SARS-COV-2 virus. The FRM report confirms ivermectin is a potential drug for the treatment of viruses, as only a single dose of it affects a 5000-fold reduction of viral RNA.*

*Additionally, FRM reports**** that a recent study has revealed that the use of ivermectin collectively with doxycycline effects the entry of viral in the body and clears a load of the virus by targeting the functional proteins. In the United States and certain other countries, an apparent high success rate of the patients who were given ivermectin medication was found. The recovery duration was also found to be shortened in some cases, along with relief in symptoms.*

MVMD filed a patent application to cover all highly solublized macrocyclic lactones, including ivermectin and selamectin, which have also been shown to be effective in the treatment of tuberculosis even with limited solubility. The Company believes its solubility

*technology can dramatically enhance the efficacy of both inhaled and injected selamectin or ivermectin providing a novel effective therapeutic for tuberculosis. According to the World Health Organization****, tuberculosis is one of the top 10 causes of death and the leading cause from a single infectious agent globally.*

REFERENCES/SOURCES

** ICON - Use of Ivermectin Is Associated With Lower Mortality in Hospitalized Patients With Coronavirus Disease – [https://journal.chestnet.org/article/S0012-3692\(20\)34898-4/fulltext](https://journal.chestnet.org/article/S0012-3692(20)34898-4/fulltext)*

*** The Company had previously engaged the services of a third-party preclinical contract research organization (“CRO”) in connection with its Quicksome™ technology. The CRO confirmed the solubility through a preliminary evaluation.*

**** October 7, 2020 - Ivermectin: an award-winning drug with expected antiviral activity against COVID-19
<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7539925/>*

***** Fior Market Research - Global Ivermectin Medication Market Insights research report
www.fiormarkets.com*

****** WHO – Tuberculosis Fact Sheet
<https://www.who.int/news-room/fact-sheets/detail/tuberculosis>*

FIRST LICENCE AGREEMENT AND SALE OF SUBSIDIARY

On November 25, 2020, the Company announced that Mountain Valley MD Inc. (“Mountain Valley”), the Company’s wholly owned subsidiary, had entered into a multi-prong strategic agreement with Circadian Wellness Corp. (“Circadian”), a privately held Ontario corporation that is focused on the rapidly emerging global mushroom space.

The framework includes a binding letter of intent (the “LOI”) and \$250,000 CAD advance payment to Mountain Valley to enter into a commercial licence agreement based on applying MVMD’s Quicksome™ technology to mushroom nutraceutical products, and a share purchase and exchange agreement (the “SPA”) to sell its wholly owned subsidiary, Mountain Valley Medicinals Inc. (“MVM”) and its related assets which include the company’s property on Vancouver Island in British Columbia, Canada (the “MVM Property”), for the amount of \$1,000,000 CAD, made up of cash and a 9% equity stake in Circadian, including a deposit of \$100,000 to be paid upon execution of the SPA (within 48 hours). The Quicksome™ advance payment from Circadian represents the Company’s first revenues.

For the past several months, MVMD has been working closely with Circadian on proprietary formulations for mushroom-infused products that achieved a significant increase in overall molecule efficacy with the Company’s Quicksome™ desiccated



liposome technology applied across a variety of rapid dissolve oral products. Circadian plans on bringing a broad line of naturally derived mushroom products to the global marketplace, with many of the extracts coming from the old growth forests found on the MVM Property.

To support the MVM Property sale and related investment in Circadian, the Company contracted the International Society of Arboriculture and BC Forest Safety Council certified VI Tree Service to conduct an audit of the property ecosystem, including an extensive cataloguing of the numerous rare Douglas Fir trees located throughout the property. Douglas Fir trees growing in the unique micro-climate on Vancouver Island are a known host for Agarikon mushroom which may be the longest living mushroom in the world and is commonly associated with significant anti-viral properties. Circadian plans on inoculating the property with thousands of mushroom spores across numerous species as the foundation for its naturally derived mushroom health and wellness products, while planning for the property to become the cornerstone of a wellness retreat vision to capitalize on the land's unique zoning.*

Circadian is a privately held Ontario corporation in the business of mushroom cultivation, extraction, clinical research and development, and end-user consumer health and wellness products and retreats (www.circadianwellness.com).

*Through its research and development work to apply its Quicksome™ technology to mushroom applications, Mountain Valley worked initially on applying cordyceps mushroom extract, a rare and expensive molecule that is known to increase the body's production of the molecule adenosine triphosphate (ATP)**, which is essential for delivering energy to the muscles and improving the way a human body uses oxygen, especially during exercise. The unique Quicksome™ cordyceps formulation created for Circadian achieved the desired efficacy while using only 1/50th of the cordyceps extract that is normally consumed orally via tincture.*

Binding LOI – Licence Agreement

The LOI sets out the material terms and conditions of the licence agreement (the “Licence Agreement”) to be entered into with Circadian, including the payment of the Advance. Mountain Valley and Circadian intend to finalize the formal Licence Agreement prior to the end of December 2020.

Sale of MVM

Pursuant to the terms of the SPA, subject to certain conditions, Mountain Valley will sell its subsidiary MVM to Circadian (the “Transaction”). The parties have agreed to a purchase price of \$1,000,000 (the “Purchase Price”). The Purchase Price will be adjusted (the “Adjusted Purchase Price”) upward for prepaid assets (approximately \$35,000). The Adjusted Purchase Price will be paid by way of cash (approximately \$435,000) (the “Cash Consideration”) and 3,111,111 common shares in the capital stock of Circadian (the “Consideration Shares”) at a price of \$0.09 per share, representing approximately 9.1%

of the issued and outstanding shares of Circadian, as well as the payment in full of a mortgage of approximately \$320,000 on the MVM Property.

The sale of MVM, which is anticipated to close on or about December 2, 2020 or as otherwise agreed by the parties, will result in the reduction of the Company's liabilities by way of payment of the Mortgage as well as an indirect disposition of all of MVM's assets, including MVM's subsidiary, the MVM Property and a dormant cannabis licence application to Health Canada (submitted under a prior legislative framework).

REFERENCES/SOURCES

* *Agarikon: Ancient Mushroom for Modern Medicine -*
https://www.huffpost.com/entry/agarikon-mushroom_b_1861947

** *6 Benefits of Cordyceps, All Backed by Science -*
<https://www.healthline.com/nutrition/cordyceps-benefits>

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

See No. 1.

3. 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.

See No. 1 with respect to the confirmation of the water-solubility of ivermectin and the resulting patent application.

4. 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

5. 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.

See No. 1 with respect to the LOI entered into between Mountain Valley and Circadian.

6. 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

7. 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.

See No. 1 with respect to the sale of MVM. The Share Purchase Agreement was announced on November 25, 2020. The transaction has not yet been completed as at the date of this monthly progress report, however is anticipated to close in the coming days.

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

N/A

9. 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.

See No. 1 with respect to the confirmation of the water-solubility of ivermectin and the resulting patent application.

10. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.

N/A

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

N/A

12. 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

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

N/A

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

N/A

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

N/A

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

At the current time, the most significant trends and uncertainties which MVMD's management expects could impact its business and financial condition continue to focus on the global spread of the COVID-19 virus. The current climate of uncertainty around the spread, speed and fatality of this virus globally is a potential threat to general business development activities, the raw material supply chain for the company's products, employee engagement on key business activities, and the overall capitalization of the business.

Additionally, although deemed a more minor part of the overall company's health and wellness strategy and current activities, the cannabis vertical of the organization could be impacted beyond the COVID-19 implications referenced above through (i) the changing legal and regulatory regime which regulates the production, sale and export of cannabis and cannabis related products in each territory in which it intends to operate in some capacity, including but not limited to Canada and Colombia; (ii) the ability of companies who may receive funds from the sale of cannabis and cannabis related products to adequately track and legally transfer such funds; and (iii) the ability of companies to raise adequate capital to carry out their business objectives.

However, management feels extremely fortunate that the health of its team has not to date been impacted and the Company has been able to continue to work effectively on many key business priorities.



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 CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: December 5, 2020

“Dennis Hancock”

President & Chief Executive Officer

<i>Issuer Details</i> Name of Issuer <i>MOUNTAIN VALLEY MD HOLDINGS INC.</i>	For Month <i>November 2020</i>	Date of Report YY/MM/D <i>2020/12/05</i>
Issuer Address <i>610 – 475 West Georgia Street</i>		
City/Province/Postal Code <i>Vancouver, BC, V6B 4M9</i>	Issuer Fax No. <i>N/A</i>	Issuer Telephone No. <i>647 725-9755</i>
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