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: *51,431,845 common shares*

Date: February 3, 2021

**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.

*TD-0148A*

*TD-0148A (2-bromo-lysergic acid diethylamide; 2-bromo-LSD) (“TD-0148A”) is an orally administered non-hallucinogenic analog of LSD. BetterLife plans to develop TD-0148A for the treatment of mental disorders such as severe depression, post-traumatic stress disorder and substance dependencies. The Company’s initial clinical focus will be on treatment-resistant depression.*

*BetterLife is planning to have a pre-IND meeting with the USFDA in Q2 2021, with the goal to file an IND and initiate a Phase 1 clinical trial in healthy volunteers in this calendar year. Subject to health regulatory authorities’ approvals, the Company is also planning independent investigator studies in parallel with the IND filing to begin in Q1-Q2 2021.*

*TD-0148A’s patented process allows for cost effective manufacturing of TD-0148A, does not use LSD as a starting point nor generates LSD at any stage in the process. The Company will conduct process development, scale-up and GMP manufacturing of TD-0148A during this calendar year, leading up to the IND. The Company will also conduct the necessary IND-enabling preclinical studies in the same time frame.*

*In January 2021, the Company applied for patent protection for its new TD-0148A formulations and their use in the treatment of depression and mood disorders. 2-Bromo-LSD is a nontoxic second-generation LSD-derived molecule that mimics the therapeutic potential of LSD, without the psychedelic effects or hallucinations. BetterLife’s recent acquisition of the assets of Transcend Biodynamics, makes it the only entity able to synthesize 2-Bromo-LSD utilizing a patented process which obviates the need to first synthesize LSD-25, eliminating the regulatory barriers of working with a Schedule 1 substance.*

*On January 19, 2021, the Company announced that Health Canada has confirmed that 2-bromo-LSD is not a controlled substance, which is a significant step for BetterLife to initiate its IND-enabling pre-clinical studies for TD-0148A.*

*The Company entered into an agreement with Eurofins Discovery for TD-0148A’s U.S. FDA Investigational New Drug (“IND”)-enabling pharmacology studies. TD-0148A is a second-generation Lysergic Acid Diethylamide (“LSD”) derivative molecule that BetterLife believes will mimic the projected therapeutic potential of LSD without causing the undesirable psychoactive dissociative side effects, such as hallucinations. Eurofins Discovery will be conducting the IND-enabling in-vitro preclinical primary pharmacology and safety pharmacology studies on TD-0148A at its facilities at Eurofins Cerep, DiscoverX and Panlabs.*

*AP-003*

*AP-003 is a BetterLife patent protected interferon alpha-2b (IFN-a2b) inhalation formulation. The Company is developing AP-003 for the treatment of pandemic respiratory viral infections, with the initial focus being on early stage COVID-19. AP-003 can be self-administered by the patient at home via a nebulizer. Based on guidance received from the USFDA, the Company has initiated the necessary preclinical IND-enabling studies, with the goal to file the IND by Q3 2021.*

*Subject to health regulatory authorities’ approvals, the Company is also considering conduct of AP-003 trials in COVID-19 patients in Q1-Q2 2021 in ex-North American territories, using previously manufactured AP-003.*

*The Company is quite advanced in its process development and scale-up of its proprietary IFN-a2b manufacturing, which it aims to complete by end of Q1 2021. If these studies are executed, a bridging clinical trial between the old and new manufactured AP-003 will also be conducted to enable use of the ex-North American data as supportive for the US IND. The Company hopes to be able to initiate a registration directed study in the US following the IND.*

*During the month, the Company selected Equilab International (“Equilab”) to manage the upcoming clinical trials for its proprietary formulation of Interferon alpha2b (AP-003) in mild to moderate cases of COVID-19. Jakarta-based Equilab is an internationally recognized CRO with a strong team of clinical and analytical researchers that have already conducted clinical trials in COVID-19 patients. BetterLife and Equilab will conduct the placebo-controlled blinded trials in COVID-19 patients at Equilab’s own 75 bed clinical facility.*

*The Company also confirmed stability of its inhalable interferon product through six months of real- time testing. The testing was conducted at -20°C and +2°C to +8°C temperatures which correspond to ordinary freezer and refrigerator temperatures. The interferon met all established stability testing criteria. The ability to ship, store and use the product at these temperatures greatly simplifies the distribution chain and patient use protocols. The testing was performed at Longmont, Colorado-based Neva Analytics.*

***CAUTIONARY NOTE: 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) at this time.***

*AP-001*

*AP-001 is a BetterLife patent-protected IFN-a2b cream formulation. The Company is developing AP-001 for the treatment of human papillomavirus (“HPV”) induced high-grade cervical intra-epithelial neoplasia, the precursor to cervical cancer. Current treatments for this indication are all invasive with risk of side effects requiring professional health care intervention.*

*AP-001 is being developed as a patient self-administered (once-daily) intra-vaginal cream as a 6-week treatment. By Q3 of 2021, the Company plans to have completed process development and scale-up of the AP-001 cream and initiate GMP manufacturing. The Company plans to have a pre-IND meeting with the USFDA in Q3 2021 and initiate the IND-enabling studies shortly thereafter, with the goal to file an IND by Q1 2022.*

***CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: The above contains forward-looking statements relating to product development, licensing, commercialization and regulatory compliance issues and other statements that are not historical facts and which contain risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.***

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.

*N/A*

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.

*Please see Item 1.*

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.

*In January 2021, the Company issued 89,034 common shares pursuant to conversion of convertible debenture and accrued interest totalling $102,389.*

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

*During January 2021, the Company issued the following securities:*

*• 361,452 common shares were issued to third parties for services rendered.*

*• 89,034 common shares were issued pursuant to conversion of convertible debenture and accrued interest totalling $102,389.*

*• 316,000 common shares and 316,000 share purchase warrants, with exercise price of $0.60 per share and maturity on December 1, 2023, were issued pursuant to the exercise of 287,273 special warrants.*

*• 316,000 common shares were issued pursuant to the exercise of 316,000 share purchase warrants at exercise price of $0.60 per share.*

*• 40,000 stock options, with exercise price of US$1.42 and two year expiry, were granted to a consultant/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.

*On January 7, 2021, the Company appointed Mr. Hattie Wells as first member of its newly formed Generation Psychedelic Research Advisory Board. Hattie Wells brings over 20 years of experience working with psychedelic molecules and the therapeutic benefits they confer to individuals suffering from mental health and polysubstance abuse disorders. She holds an M.Sc. in Ethnobotany from the University of Kent, and B.Sc. in Social Anthropology from The London School of Economics, London, UK.*

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

*[According](https://www.databridgemarketresearch.com/reports/north-america-psychedelic-drugs-market%22%20%5Ct%20%22_blank) to Data Bridge Market Research, North America psychedelic drugs market is expected to gain market growth in the forecast period of 2020 to 2027. Data Bridge Market Research analyses that the market is expected to reach USD 6,846.68 million by 2027. Growing acceptance of psychedelic drugs for treating depression and increasing prevalence of depression and mental disorders are the factors for the market growth.   A growing number of companies are conducting clinical trials of psychedelic treatments for indications from depression to post-traumatic stress disorder, and some have recently received the blessing of the U.S. Food and Drug Administration. This has created a legal way for these companies to conduct research on otherwise illegal drugs.*

*Since the start of the COVID-19 pandemic, SARS-CoV-2 has been mutating. The recent series of mutations have produced a variant that is more effective at infecting people. The D614G variant showed up in Australia and India in May. In December, scientists detected the B.1.1.7 variant in the United Kingdom, followed by the B.1.351 variant in South Africa, along with new variants in Los Angeles and Ohio. With worldwide COVID-19 cases at 103 million by the end of January 2021, scientists continue to push forward with efforts to develop vaccines and treatments to slow the pandemic and lessen the disease’s damage. At this time, three therapeutics have been approved to treat COVID-19: dexamethasone in the United Kingdom and Japan; Avigan (favilavir) in China, Italy and Russia; and Veklury (remdesivir) in the United States, Japan and Australia.*

**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 February 3, 2021

 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 EndJanuary 2021 | Date of ReportYY/MM/DD2021/02/03 |
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| City/Province/Postal CodeVancouver, BC V6H 1A6 | Issuer Fax No.( ) | Issuer Telephone No.(604) 221-0595 |
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