

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: HAVN Life Sciences Inc. (the "Issuer")

Trading Symbol: HAVN

Number of Outstanding Listed Securities: 5,788,997 (as at August 31, 2022)

Date: September 1, 2022

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

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 Issuer is a biotechnology company pursuing standardized extraction of psychedelic compounds for the creation of APIs, the development of natural health products, and innovative therapies to support brain health and cognitive function. Through its research division, HAVN Labs, the Issuer has developed an end-to-end supply chain of standardized, naturally derived psychedelic compounds for research that will define the future of modern medicine. With its new line of natural health products, the Issuer offers a full range of high-quality mushroom and plant extracts that help boost immune function, reduce inflammation, and support a healthy lifestyle.

Global Outbreak of COVID-19 Disclosure: The actual and threatened spread of the virus globally has had a material adverse effect on the regional economies in which the Issuer operates and could continue to result in negative impacts on the stock market, including trading prices of the Issuer's shares, and the ability to raise capital and could impact the Issuer's operations.

During the month of August 2022, the Issuer actively continued general and corporate operations.

In addition, management spent significant time working with its auditor in order to complete its annual audited financial statements and management's discussion and analysis for the fiscal year ended April 30, 2022 (the "**Financial Report**").

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

During the month of August 2022, management continued to support and control the Issuer's business activities and develop the Issuer's business.

In addition, management spent significant time working with its auditor in order to complete its annual audited financial statements and management's discussion and analysis for the fiscal year ended April 30, 2022 (the "**Financial Report**").

On August 18, 2022, the Issuer announced by the way of news release that that it has closed the initial tranche (the "**First Tranche**") of its financing commitment (the "**Financing**") by Alpha Blue Ocean ("**ABO**") that was previously announced on July 21, 2022. The Issuer intends to use the proceeds from the close of the First Tranche for general working capital purposes.

Pursuant to the closing of the First Tranche, the Issuer issued to Global Corporate Finance Opportunities 17 (the "**Subscriber**"), an investment fund managed by ABO, \$1,100,000 principal amount of senior unsecured convertible debenture (the "**Convertible Debenture**") and 189,393 Common Share (as defined below) purchase warrants (each, a "**Warrant**") of the Issuer, for net proceeds of approximately \$420,000, after deducting certain transactional expenses, including payment by the Issuer to the Subscriber of the Debenture Commitment Fee (as defined below). The Convertible Debenture and the Warrants were issued pursuant to the terms of subscription agreement entered into between the Issuer and the Subscriber on July 21, 2022 (the "**Subscription Agreement**") as previously described in the July 21, 2022 news release.

The Convertible Debenture is convertible into Common Shares (each, a "**Conversion Share**") and in certain cases, redeemable in cash, in accordance with their terms and as previously described in the July 21, 2022 news release. Each Warrant entitles the holder thereof, to purchase one additional Common Share (each, a "**Warrant Share**") at a price of \$1.32 per Warrant Share for a period of 60 months from the date of issuance.

As consideration for the Subscriber purchasing the Convertible Debenture and Warrants, the Issuer paid to the Subscriber a commitment fee of \$600,000 (the "**Debenture Commitment Fee**"), payable by way of the issuance of an additional \$600,000 of principal amount of Convertible Debenture, and issued to the Subscriber 489,130 Common Shares (the "**Compensation Shares**").

The Subscriber is required to return the Compensation Shares to the Issuer if: (a) either (i) 36 months since the date of the Subscription Agreement (the "**Commitment Period**") has lapsed or (ii) this Subscription Agreement is terminated prior to the end of the Commitment Period in accordance with its terms; (b) all outstanding debentures issued under the Subscription Agreement have been converted by the holder(s) thereof; (c) the Issuer is not in breach of the Subscription Agreement; and (d) no payment remains outstanding by the Issuer to the Subscriber and no delivery of common shares (each, a "**Common Share**") of the Issuer resulting from a conversion of the senior unsecured convertible debentures issuable under the Subscription Agreement, or the

exercise of any of the Common Share purchase warrants, issuable under the Subscription Agreement, by the Subscriber shall remain outstanding pursuant to the Subscription Agreement.

The Issuer has also agreed to issue 190,214 Common Shares (each, a "**Debt Share**") at a price of \$1.15 per Debt Share to settle an aggregate amount of indebtedness in the amount of \$218,746.53 owing to certain third-party creditors of the Issuer .

The Issuer qualified the distribution of the Convertible Debenture, Warrants, the Compensation Shares, the Debt Shares, the Conversion Shares issuable upon conversion of the Convertible Debenture, and the Warrant Shares issuable upon exercise of the Warrants, by way of a prospectus supplement to its final short form base shelf prospectus dated October 4, 2021.

The Issuer has applied to list the Conversion Shares, the Warrant Shares, the Debt Shares, and the Compensation Shares on the Canadian Securities Exchange (the "**CSE**"). Such listing will be subject to the Issuer fulfilling all the listing requirements of the CSE.

Amendments to the Warrants

The Issuer also announces that it has amended certain Common Share purchase warrants of the Issuer (the "**Armistice Warrants**") issued to Armistice Capital Master Fund Ltd. ("**Armistice**").

The Issuer has agreed to reduce the exercise price of the Warrants issued to Armistice on March 3, 2022 from \$3.75 to \$2.70 (on a post consolidation basis) per Common Share; provided that subject to CSE approval, if, during the 90-day period following the 30:1 Common Share consolidation proposed to be completed by the Issuer , the volume-weighted average price ("**VWAP**") of the Common Shares over any fifteen (15) consecutive trading day period falls by greater than 30%, then the exercise price of the Warrants will be adjusted such that it is equal to 120% of the fifteen (15) trading day VWAP of the Common Shares (the "**Adjusted Exercise Price**") and provided that if the Adjusted Exercise Price is less than the minimum issue price permitted under the CSE (or the policies of such other stock exchange on which the Common Shares are listed for trading from time to time), then the Adjusted Exercise Price shall be adjusted to be equal to the minimum price permitted under such policies. The other terms and conditions of the Warrants remain the same.

New Issuances of Warrants

The Issuer also announces that it has issued to certain designees of H.C. Wainwright & Co., LLC ("**Wainright**") an aggregate of 16,669 new Common Share purchase warrants (each, a "**New Warrant**"). Each New Warrant will entitled the holder thereof to acquire one Common Share at an exercise price of \$2.70 per Common Share (on a post-consolidation basis) and a term of five (5) years from the date of issuance. The New Warrants were issued as consideration for Wainwright waiving, on a one-time basis, its exclusivity pursuant to an engagement letter with the Issuer dated as of January 31, 2022 with respect to the issuance by the Issuer of certain convertible debentures (please see news release dated July 21, 2022). The New Warrants will be subject to a four-month and one day hold period under applicable securities laws in Canada.

The amendments to the Armistice Warrants are subject to all regulatory approvals, including the approval of the CSE.

National Instrument 62-103 – The Early Warning System and Related Take-over Bid and Insider

Reporting Issues

Pursuant to closing of the first Tranche, the Subscriber (P.O. Box 2775, 67 Fort Street, Artemis House, Grand Cayman, KY1-1111, Cayman Islands) acquired an aggregate principal amount of \$1,100,0000 Convertible Debentures and 189,393 Warrants. Each Warrant is exercisable at an exercise price of \$1.32 per underlying Warrant Share, subject to adjustment in accordance with the terms of the certificate representing the Warrants.

Prior to closing of the first Tranche, the Subscriber did not beneficially own or control any securities of the Issuer. Immediately following the closing of the first Tranche, the Investor holds 189,393 Warrants, \$1,100,000 principal amount of Convertible Debentures and 489,130 of Compensation Shares representing 9.57% of the issued and outstanding Common Shares of the Issuer on a non-diluted basis and 25.59% of the Common Shares on a partially diluted basis, assuming the conversion of the outstanding debentures into Common Shares at a price of \$1.00, being the last closing price of the Common Shares on the CSE prior to the date of this press release.

The Convertible Debentures were acquired, in the ordinary course of business, for investment purposes only and pursuant to the terms of the Subscription Agreement, pursuant to which the Subscriber is expected to acquire control and direction over additional convertible debentures as further Tranches close and Common Shares upon the conversion thereof.

ABO Infinium Americas Opco Ltd. exercises control or direction over the Convertible Debentures and Warrants in its capacity as investment manager. However, the Subscriber beneficially owns the securities. This investment will be reviewed on a continuing basis and ABO Infinium Americas Opco Ltd., on behalf of the Subscriber, may further increase or decrease its ownership, control or direction over securities of the Issuer depending on market conditions, reformulation of plans and/or other relevant factors. The Subscription Agreement prohibits the conversion of such Debentures into Common Shares in the event that the Subscriber would hold in excess of 9.99% or 19.99% of the Common Shares following conversion.

An alternative monthly report will be filed by ABO Infinium Americas Opco Ltd. in accordance with applicable securities laws and will be available on SEDAR at www.sedar.com or may be obtained directly from the Issuer upon request at <mailto:ir@havnlife.com>.

On August 29, 2022, the Issuer filed its annual audited financial statements and management's discussion and analysis for the fiscal year ended April 30, 2022 (the "**Financial Report**").

The above noted news release and Financial Report can be viewed under the Issuer's profile on SEDAR (www.sedar.com). The above noted news release can be viewed on the Issuer's Disclosure Page on the Canadian Securities Exchange's website.

- 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.**

None to report during the month of August 2022.

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.**

None to report during the month of August 2022.

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.**

None to report during the month of August 2022.

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.**

None to report during the month of August 2022.

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.**

None to report during the month of August 2022.

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

None to report during the month of August 2022.

9. **Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.**

None to report during the month of August 2022.

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

None to report during the month of August 2022.

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

None to report during the month of August 2022.

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.

None to report during the month of August 2022.

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

During the month of August 2022, the Issuer issued to Global Corporate Finance Opportunities 17 (the "**Subscriber**"), an investment fund managed by ABO, \$1,100,000 principal amount of senior unsecured convertible debenture (the "**Convertible Debenture**").

See Item #2 for further details

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Convertible Debenture ⁽²⁾	489,130	Issued as part of financing agreement with Alpha Blue Ocean.	\$420,000: general working capital
Common Share Purchase Warrants ⁽³⁾	189,393	Issued as part of financing agreement with Alpha Blue Ocean.	N/A; Issuance of Share Purchase Warrants
Common Shares	190,214	Common Shares issued at a deemed price of \$1.15 per common share in connection with debt settlement agreements	N/A; common shares to extinguish debt

⁽¹⁾ State aggregate proceeds and intended allocation of proceeds

⁽²⁾ Each Convertible Debenture is convertible into Common Shares (each, a "Conversion Share") and in certain cases, redeemable in cash, in accordance with their terms and as previously described in the July 21, 2022 news release. Each Warrant entitles the holder thereof, to purchase one additional Common Share (each, a "Warrant Share") at a price of \$1.32 per Warrant Share for a period of 60 months from the date of issuance.

⁽³⁾ Each Warrant entitles the holder thereof, to purchase one additional Common Share (each, a "Warrant Share") at a price of \$1.32 per Warrant Share for a period of 60 months from the date of issuance

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

None to report during the month of August 2022.

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

None to report during the month of August 2022.

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

The trends and risks which are likely to impact the Issuer are detailed in the Issuer's Management's Discussion and Analysis dated August 29, 2022 (the "**MD&A**"), under the heading "Risk Factors", the Issuer's Annual Information Form dated September 21, 2021 (the "**AIF**"), under the heading "Risk Factors", and the Issuer's Form 2A - Listing Statement dated September 1, 2020 (the "**Listing Statement**"), under the heading "Item 17. Risk Factors". The MD&A, AIF and Listing Statement can be viewed under the Issuer's profile on SEDAR (www.sedar.com).

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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 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 September 1, 2022

Gordon Clissold
Name of Director or Senior Officer

/s/ Gordon Clissold
Signature

Chief Financial Officer
Official Capacity

<i>Issuer Details</i> Name of Issuer HAVN Life Sciences Inc.	For Month End August 2022	Date of Report YYYY / MM / DD 2022 / 09 / 01
Issuer Address Suite 2200, 885 West Georgia Street Vancouver, British Columbia, V6C 3E8	Issuer Fax No. N/A	Issuer Telephone No. 604-639-2143
Contact Name Gordon Clissold	Contact Position Chief Financial Officer	Contact Telephone No. 604-358-2268
Contact Email Address ir@havnlife.com	Web Site Address https://havnlife.com	