FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: PharmaDrug Inc. (the "Issuer").

Trading Symbol: PHRX

Number of Outstanding Listed Securities: 340,816,383

Date: October 31, 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.

   On October 15, 2021, the Issuer announced interim positive results for the preclinical cancer study which evaluated the effectiveness of Cepharanthine-2HCl alone, or when used in combination with standard of care (SoC) chemotherapy.

   On October 20, 2021, the Issuer announced the qualification and commencement of the trading of PharmaDrug's common shares on the OTCQB Venture Market (the "OTCQB") operated by the OTC Market Group Inc. under the symbol "LMLLF".

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

   PharmaDrug is a specialty pharmaceutical company focused on the research, development and commercialization of controlled-substances and natural medicines such as psychedelics, cannabis and naturally-derived approved drugs. The Issuer owns 100% of PharmaDrug Production GmbH ("PharmaDrug Production"), a German medical cannabis distributor, with a Schedule I European Union narcotics license and German EuGMP certification allowing for the importation and distribution of medical cannabis to pharmacies in Germany and throughout the European Union. PharmaDrug recently acquired Sairiyo Therapeutics ("Sairiyo"), a biotech company that specializes in researching and reformulating established natural medicines with a goal of bringing them through regulatory and research driven clinical trials. Sairiyo is currently developing its patented reformulation of a drug named Cepharanthine for the potential treatment of Covid-19 and rare cancers and is also conducting R&D in psychedelics for the treatment of non-neuropsychiatric conditions. The Issuer also owns 100% of Super Smart, a company building a vertically integrated retail business with the goal to elevate the use of functional mushrooms, and psilocybin mushrooms where federally legal, as natural based medicines.

   Medical Cannabis:

As PharmaDrug continues to develop its business in Germany, management has lowered its 2021 expectations because of the ongoing levels of Bedrocan's product availability. Though the Issuer has over 300 pharmacies in its distribution network, the unstable consistent supply of Bedrocan's products has resulted into a corresponding loss of market share. The Issuer, however, still plans to maintain its Bedrocan business.

The real opportunity for growth will be the launch of cannabis products under PharmaDrug's own brand. On May 14, 2021, the Issuer announced the signing of a supply agreement with an emerging Eurozone cannabis extractor for medical grade THC oil to be sold under its own brand. During the month of October, PharmaDrug Production conducted the final inspection of its supply partner in Denmark. The visit was deemed successful with the newly built cannabis oil extraction facility fulfilling all the necessary requirements to be able to supply GMP calibre THC oils to the German medical cannabis market. The Company has registered the initial product with the regulator, and it has been added to its controlled substance license. The initial product will be a PharmaDrug branded high THC oil. It is currently going through confirmatory stability testing with final results and certificates of analysis scheduled for this coming January. Once launched, PharmaDrug and its Danish supply partner have planned to introduce other oils including a balanced CBD / THC oil.

PharmaDrug signed a supply agreement for Dronabinol in the month of October. Dronabinol a synthetic THC oil that currently dominates the medical cannabis oil market in Germany. PharmaDrug Production has already added the product to its license and first shipment is expected the first week of November. Sales efforts have already begun with first customer deliveries slated to begin in the fourth quarter. Management believes the selling of Dronabinol will serve to increase sales volumes, but should also significantly increase its pharmacy distribution network beyond its current levels. The Dronabinol is a third party product and PharmaDrug Production will act as a distributor much like its Bedrocan business. The Company is in advanced discussions with two separate manufacturers to be able to supply Dronabinol on a white label basis to be branded as a PharmaDrug product.

While the Company recently made the decision to focus its growth on cannabis oils and extractions, management believes the outcome of the recent election and the likelihood of adult use on the horizon requires a renewed focus on cannabis flowers. As expected, recent trends showed that cannabis oil growth is accelerating and is on a path to overtake flowers at some point in the future. That being said, the introduction of adult use should reignite the flower market. As such, the Company has resumed discussions to introduce a unique brand of flower to the German market. Such a product can either take the form of a third-party brand with an exclusive relationship and marketing sovereignty or a unique white label product that will carry the PharmaDrug brand.

Super Smart:

With the coronavirus ("COVID-19") pandemic lasting much longer than management initially expected, the Issuer took the decision to pivot from its initial plans and put the development of its brick-and-mortar strategy on hold. In the meantime, the Issuer decided to develop its brand and business by establishing an online retail strategy under its Slim Winkel brand. Super Smart launched two separate e-commerce platforms. One in Europe and one in the U.S. The American site will focus on selling Slim Winkel branded products as well as curated bundles from 3rd party vendors. The European Slim Winkel online store will sell psilocybin truffles as well as functional mushrooms in The Netherlands. The website will also service other parts of Europe, but without the access to psilocybin truffles.

On the September 22, 2021, the Issuer announced that its Super Smart division is launching its own premium blend of functional mushrooms. MycoWeR Infinite will initially debut for sale in the United States before also being made available through Super Smart's ecommerce platform in Europe. The first commercial lot of product has already been manufactured and the Company received the product in the final week of October.

PharmaDrug's executive team flew to The Netherlands to visit the current store in Tiel as well as several locations in both Amsterdam and Rotterdam in August. Management was able to visit over 30 stores, including several stores currently for sale. The conclusion was that the retail market is still under tremendous pressure. The cost of purchasing existing stores is prohibitive and the building of greenfield locations in a competitive environment is not economically viable, especially since the market is relatively small and not currently exhibiting any signs of significant growth.

Super Smart will continue with the European online effort and will undertake to overhaul the site and develop a strategy to reflect the distinct market within North America by adapting an e-commerce only model. In formulating this decision, management met with director of e-commerce candidates with direct European branding expertise. Future focus will be on a launch of a Slim psilocybin product for The Netherlands complemented by a functional mushroom offering in all of Europe including the Slim functional products once they are established in the United States.

Sairiyo - Biotech Research and Development:
In connection with the Sairiyo Acquisition, the Issuer has secured an exclusive license from SwRI® to develop and commercialize a novel oral formulation of Cepharanthine for all fields of use as well as exclusive rights to U.S. Patent: 10,576,077, titled "Pharmaceutical Salt forms of Cepharanthine and Tetrandrine". More recently, the Issuer has entered into an agreement with SwRI® to initiate non-clinical and clinical manufacturing of Cepharanthine for the Issuer's rare cancer and infectious diseases programs. Formalization of the relationship will allow PharmaDrug to expedite development timelines by

leveraging SwRI®'s existing Cepharanthine preclinical data sets and considerable manufacturing know-how.

Cepharanthine is a natural product and an approved drug which has been used for more than 70 years in Japan to successfully treat a variety of acute and chronic diseases. In clinical research, Cepharanthine has been shown to exhibit multiple pharmacological properties including anti-oxidative, anti-inflammatory, immuno-regulatory, anti-cancer, anti-viral and anti-parasitic properties. However, historically Cepharanthine's low oral bioavailability has represented a major obstacle to realizing its full clinical potential.

The Issuer is focused on advancing the clinical development of an improved oral formulation of Cepharanthine to treat rare cancers and infectious diseases. Compared to generic Cepharanthine, PharmaDrug's novel formulation has been shown in rodent and non-rodent models to possess markedly superior bioavailability (more easily absorbed). These findings support the development of an orally administered formulation, and in so doing, removes the undesirable requirement for frequent intravenous dosing.

Cepharanthine and Cancer:

Sairiyo is currently focused on advancing the clinical development of Cepharanthine to treat rare cancer diseases. Sairiyo was granted ODD from the FDA for Cepharanthine in the treatment of esophageal cancer in January 2021 and has since added some world class experts to its scientific advisory team. Orphan Status from the FDA provides numerous benefits such as tax credits, a more streamlined process, and seven years of marketing exclusivity post regulatory approval.

Management decided to conduct some pre-clinical work to evaluate the mechanism of action more fully for Cepharanthine given that the drug displays potential as a direct anti-cancer agent as well a prospect for reducing resistance to common chemotherapies.

The first phase of the study aimed to compare Cepharanthine to the current standard of care in 60 human cancers. The Issuer was pleased to see that 20 of the 60 cells lines screened showed growth inhibition of at least fifty percent when exposed to Cepharanthine levels previously determined to be well tolerated in a human clinical population. Additionally, there were several instances in which Cepharanthine displayed growth inhibition which was comparable or superior to current gold standard treatments, including colorectal, liver and skin cancers. More notably, results of the study demonstrated that esophageal cancer was the most highly responsive of all sixty cancers examined.

Based on the results of the initial large in vitro cancer screen, the Company initiated a second study based a short list of 23 cancers that were highly responsive to cepharanthine-2HCl. PharmaDrug was recently provided results

for 17 of the 23 cells lines being evaluated by an independent contract research organization and is pleased to announce that greater than 80% of those short-listed cancers once again displayed sensitivity to cepharanthine-2HCl at, or below levels previously determined to be well tolerated in humans. Thus far, esophageal cancer continues to be the most responsive of all cancers tested; with cepharanthine-2HCl displaying at least 2-times greater potency for esophageal cancer than the next most sensitive cancer type. Novel therapeutics in the oncology space are most often assessed as an 'add-on' to SoC agents during clinical development. As such, the current study was designed to evaluate the potential for cepharanthine-2HCl to provide additive or synergistic benefit in such settings. Of the 17 cancer cell lines tested thus far, four instances of drug synergy (Cepharanthine + chemotherapy) were revealed.

That esophageal cancer was shown to be the most highly responsive cancer examined further validates the Company's motivation to expeditiously advance the clinical development of its patented enteric-coated oral formulation of Cepharanthine (PD-001) for esophageal cancer and leverage the benefits of its FDA orphan drug designation granted by the FDA earlier this year. Furthermore, the Company intends to use data from the current study, including identification of synergistic drug combinations (Cepharanthine + chemo) to file new intellectual property. In anticipation of the positive research results, the Company has recently manufactured a non-GMP lot of PD-001 for planned animal efficacy studies in oncology and will commence production of a cGMP PD-001 lot to support its upcoming IND-enabling studies and potential FDA Phase 1 and Phase 2 clinical studies in 2022.

Cepharanthine and Covid-19:

On a separate front, the Issuer has initiated preparation of a Pre-Investigational New Drug Application ("Pre-IND") for its patented enteric-coated formulation of PD-001 as an oral antiviral pill to treat mild-moderate cases of COVID-19. Cepharanthine may work to lessen the effects of coronavirus infection. Cell, animal, and human studies have long reported the immunomodulatory and anti-inflammatory properties of Cepharanthine. Cepharanthine has previously been shown to suppress cytokine production and the expression of cyclooxygenase; both of which are crucial to viral replication and inflammatory response. A 2019 study examined the effects of Cepharanthine on human lung cells infected with the coronavirus HCoV-OC43. Following pre-treatment with Cepharanthine, lung cells showed no virus-induced death. These findings were attributed to the ability of Cepharanthine to inhibit viral RNA replication, block expression of viral proteins, and suppress production of proinflammatory molecules, thus preventing a deleterious exacerbation of cytokine response to the viral infection. Several third party validated library screens of approved and investigational drugs have identified Cepharanthine as a forerunner drug candidate in the treatment of COVID-19 based on the superior antiviral properties it holds. Cepharanthine has been shown to be highly effective at blocking cell death following exposure to multiple different coronaviruses, including COVID-

19. As such, it is believed that the Issuer's novel formulation of Cepharanthine, PD-001 would be an ideal candidate to evaluate as a potential treatment for mild to moderate COVID-19.

Sequel to the submission of the Pre-IND during the third week of September 2021, the Issuer was granted a Pre-IND meeting with the FDA for the clinical development of its patented enteric-coated formulation of Cepharanthine, an oral antiviral pill as a potential treatment for mild-moderate cases of COVID-19. The Issuer submitted a briefing package to the FDA, Office of Infectious Diseases, Center for Drug Evaluation and Research for Cepharanthine and awaits further feedback on its proposed path toward human clinical development. The Pre-IND meeting is a critical step in the US regulatory approval process that is meant to develop mutual understanding and agreement between the FDA and the Issuer regarding content required to assess manufacturing, toxicology, preclinical studies, clinical trials design, and rationale to support subsequent human clinical trials. The Issuer anticipates a written response to its Pre-IND briefing package by late-November 2021.

Pharmaceutical Psychedelics Research:

PharmaDrug and Sairiyo had already begun to develop a strategy to commence unique and value adding research in the psychedelic space prior to signing the purchase agreement. Following the acquisition of Sairiyo and its biotech R&D core competencies, PharmaDrug has undertaken efforts to expand its research activities in the pharmaceutical psychedelics space. The Issuer's psychedelic pharmaceutical strategy will focus specifically on Dimethyltryptamine ("DMT"). Through engagement with respected academics and medical/clinical key opinion leaders in the space, management will initiate pivotal preclinical and clinical development activities. PharmaDrug has brought on Dr. Barker, a prominent American DMT academic researcher as an advisor. The Issuer is collaborating with top-tier academic psychedelic teams on foundational DMT research to be able to build internal intelligence to serve as the building block at establishing its explicit commercial strategy. The first such relationship was announced in March 2021 with the funding of a foundational study at The University of Michigan on the role of naturally occurring DMT in the brain. On the 25th of August, the Issuer announced that it had entered into a Clinical Trial Agreement with The Johns Hopkins University (JHU) to conduct a clinical study comparing acute and enduring psychological and neural effects of N,N-Dimethyltryptamine (DMT) and an undisclosed, potently active comparator molecule. This clinical research collaboration builds upon PharmaDrug's existing strategy of focusing on establishing a better understanding of the basic mechanisms by which DMT exerts its effects in the brain and elsewhere in the body. By supporting world class talent with distinct expertise in early discovery and clinical use, the Issuer will be optimally positioned to identify novel applications for DMT and unlock its full therapeutic potential.

The Issuer was also able to form a collaboration with the Terasaki Institute, which is a world-leading biotechnology institute which develops medical devices and cutting-edge protocols for a variety of diagnostic, monitoring and treatment applications. Their research platforms include work in biomaterials, cellular and tissue engineering, wearable biosensors, and organs-on-a-chip, with specific expertise in novel polymer development. The goal of the collaboration is to develop an ocular medical device that can continuously and slowly release a reformulated DMT or DMT analogue to reduce IOP. PharmaDrug will contribute the chemical formulations and the Terasaki Institute will use its in-house technology to select and develop an effective delivery mechanism. During the first stage of the collaboration, the Terasaki Institute's scientists will use human, primary cell-based studies to identify the most potent candidate tryptamine. Follow-up studies will leverage specific expertise in biomaterial engineering to produce a controlled release ophthalmic medical device. Finally, the drug-impregnated, controlled release product will be evaluated in a generally accepted non-human primate model of glaucoma. The intention is to bring the product to the FDA for the purpose of a clinical trial.

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 securitieslaw

On September 23, 2021, the Issuer launched its own premium blend of functional mushroom, MycoWeR Infinite. The product will initially debut for sale in the U.S. before being made available through Super Smart's ecommerce platform in Europe. The product will be positioned as a premium brand in a rapid growing marketplace that is primarily occupied by high price, low potency functional mushroom products. The Issuer understands that health-conscious individuals are often reluctant to take many pills, several times per day as part of their health regime. For this reason, the Issuer's initial product release has been formulated as a once a day complete 6 functional mushroom dose in one pill that does not compromise on the quantity of active ingredients as high potency concentrates, prepared only from the mushroom fruit body are processed using an optimized hot water and/or hot water/alcohol extraction.

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its Bedrocan business. The Company is in advanced discussions with two separate manufacturers to be able to supply Dronabinol on a white label basis to be branded as a PharmaDrug product.

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 noted.

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.

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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 noted.

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 noted.

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

   None noted.

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.

None noted.

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

None noted.

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

None noted.

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 noted.

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

None noted.

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

Security	**Number Issued**	**Details of Issuance**	**Use of Proceeds** [(1)]
N/A	N/A	N/A	N/A

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

None noted.

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

N/A

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

For more information related to certain risks and uncertainties that are inherent

to the Issuer's industry, please refer to the "Risk Factors" section of the Management's Discussion and Analysis filed quarterly on SEDAR.

In addition, on January 30, 2020, the World Health Organization declared that the recent COVID-19 outbreak was a global health emergency, recognizing that the disease represents a risk outside of China, where it emerged in the last couple of months. Companies across various industries could be impacted materially by the coronavirus.

COVID-19's known and unknown impact on earnings, costs, employees, supply chains, customers and other stakeholders, as well as other business matters, may be material for the Issuer, and may have a material impact on the Issuer's gross earnings, net earnings and other business matters. Environmental, social and governance factors may also impact the Issuer's operations in the near future.

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 November 03, 2021.

Daniel Cohen
Name of Director or Senior Officer

"Daniel Cohen"
Signature

Chief Executive Officer
Official Capacity

Issuer Details Name of Issuer PharmaDrug Inc.	For Month End October 31, 2021	Date of Report YY/MM/DD 21/11/03
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