

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: NM

Number of Outstanding Listed Securities: 42,835,901 (December 31, 2021)

Date: January 5, 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.

During the month of December 2021, Novamind continued general and corporate operations in its Toronto headquarters and in its Utah operations.

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

On December 1, 2021, the Issuer announced a partnership with Uruguay-based Bienstar Wellness to develop Latin America's first integrative mental health clinic network.

On December 2, 2021, the Issuer announced that it would present at the H.C. Wainwright 2nd Annual Psychedelics Conference on December 6, 2021.

On December 6, 2021, the Issuer announced that it had opened a new clinic with a specialized focus on substance use disorders.

3. Describe and provide details of any new products or services developed or offered.

No new products or services were developed or offered.

4. Describe and provide details of any products or services that were discontinued.

No new products or services were discontinued.

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.

No new business relationships were entered into.

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.

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.

On December 23, 2021, the Issuer announced that it has signed a definitive agreement (the "Agreement") to acquire Arizona-based Foundations for Change, PLC ("Foundations"), a mental health practice specialized in ketamine-assisted psychotherapy, from its sole stockholder, Jeff Edelman, (the "Seller"), who is not a Related Person of the Issuer. The Seller was independently solicited by the Issuer and is considered an arms-length party. The transaction (the "Transaction") is subject to regulatory approvals and is expected to close in January 2022.

Under the terms of the Agreement, Novamind will acquire Foundations for a combination of cash, common shares in the capital of the Issuer ("Shares") and assumed debt, as described below. The fair value of Foundations was determined by precedent transaction analysis of similar outpatient mental health clinics.

Within 30 days of closing the Transaction (the “Closing Date”), Novamind will pay to the Seller US\$100,000 in cash, less certain trade and other accounts payable related to the business of Foundations at the Closing Date. Additionally, subject to the Seller’s continued employment by the Issuer, the Issuer will pay to the Seller three cash payments of US\$50,000 within 60 days of the following three anniversaries of the Closing Date.

Additionally, subject to the Seller’s continued employment by the Issuer, the Issuer will issue to the Seller an aggregate of US\$150,000 payable by way of the issuance of Shares, as follows:

1. US\$50,000 of Shares on the first anniversary of the Closing Date and issued to the Seller within 60 days of such date, to be issued at a price per Share equal to the five-day volume-weighted average trading price of the Shares on the Canadian Securities Exchange (the “CSE”) (or if the Issuer is not listed on the CSE then, such other stock exchange on which the Shares are listed and where a majority of the trading volume occurs) (the “5-Day VWAP”) calculated from the first anniversary of the Closing Date;
2. US\$50,000 of Shares on the second anniversary of the Closing Date and issued to the Seller within 60 days of such date, to be issued at a price per Share equal to the 5-Day VWAP calculated from the second anniversary of the Closing Date; and
3. US\$50,000 of Shares earned on the third anniversary of the Closing Date and issued to the Seller within 60 days of such date, to be issued at a price per Share equal to the 5-Day VWAP calculated from the third anniversary of the Closing Date.

In connection with Transaction, the Issuer will enter into agreements with certain holders of debt of Foundations (the “Debtholders”), pursuant to which it will issue an aggregate of US\$158,110 of Shares to certain Debtholders at a deemed price per share equal to the 5-Day VWAP calculated from the date of the Agreement, to be issued on the Closing Date, and an aggregate of US\$345,184 in cash, in consideration for the settlement of debts owing by Foundations to the Debtholders. Additionally, Foundations will possess approximately US\$333,625 of permitted indebtedness as at the Closing Date.

The Shares issued pursuant to the Agreement will be subject to a statutory hold period in accordance with applicable Canadian securities laws and the policies of the CSE.

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

Novamind’s wholly-owned subsidiary, Cedar Psychiatry, continues to acquire new patients at its network of mental health clinics. These are new clients seeking treatment for their mental health conditions.

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.

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

During the period, there were no hirings or firings of key employees or anticipated or actual layoffs.

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

There were no new labour disputes to report or resolve.

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.

There are no new legal proceedings involving the Issuer.

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

There was no change in the Issuer's indebtedness.

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

There were no securities issued and options or warrants granted.

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

Any loans to Related Persons are disclosed in our financial statements.

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

There were no changes in directors, officers or committee members

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

There are no new trends to report.

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 January 5, 2022

Prakash Gowd
Name of Director or Senior
Officer


Signature
SVP Corporate Development
Official Capacity

Issuer Details Name of Issuer Novamind Inc.	For Month End September	Date of Report YY/MM/D 22/01/05
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City/Province/Postal Code Toronto, ON, M4N 1V6	Issuer Fax No. ()	Issuer Telephone No. (647) 953-9512
Contact Name Prakash Gowd	Contact Position SVP Corporate Development	Contact Telephone No. 647-242-6483
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