FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Red Light Holland Corp. (the "**Issuer**").

Trading Symbol: TRIP

Number of Outstanding Listed Securities: 348,397,496 Common Shares

Date: July 8, 2021

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.

   Please see attached Schedule "A"

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

   Please see attached Schedule "A"

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.

   Not Applicable

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.

   Not Applicable

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.

   Please see attached Schedule "A"

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.

   Not Applicable

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.

   Not Applicable

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

   Not Applicable

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.

   Not Applicable

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

    Not Applicable

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

    Not Applicable

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.

    Not Applicable

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

    Not Applicable

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

Security	Number Issued	Details of Issuance	Use of Proceeds(1)
COMMON SHARES	1,516,668	EXERCISE OF WARRANTS AND OPTIONS	WORKING CAPITAL
COMMON SHARES	12,701,741	ACQUISITION OF RADIX MONTION (SEE SCHEDULE A BELOW)	N/A
COMMON SHARES	1,290,323	ACQUISITION OF HAPPY CAPS (SEE SCHEDULE A BELOW)	N/A

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

Not Applicable

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

Not Applicable

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

Please see attached Schedule "B".

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 July 8, 2021.

Kyle Appleby
Name of Director or Senior Officer

(signed) "Kyle Appleby"
Signature

Chief Financial Officer
Official Capacity

Issuer Details Name of Issuer Red Light Holland Corp.	For Month End June 30, 2021	Date of Report YY/MM/D July 8, 2021
Issuer Address Suite 801, 1 Adelaide St. East		
City/Province/Postal Code Toronto, ON M5C 2V9	Issuer Fax No. (416) 869-0547	Issuer Telephone No. (647) 204-7129
Contact Name Todd Shapiro	Contact Position CEO and Director	Contact Telephone No. (647) 204-7129
Contact Email Address redlightholland@gmail.com	Web Site Address https://redlighttruffles.com/	

Schedule "A"

The Issuer continues to build its business. In June 2021, the Issuer focused on expanding the Issuer's business. The following are highlights of the development of the Issuer's business and operations over the course of June, 2021.

- June 8, 2021 – The Issuer announced that its wholly owned subsidiary, Red Light Acquisition Inc. ("Red Light US") has acquired (the "Acquisition") Radix Motion Inc. ("Radix Motion"), a technology and innovation company focused on empowering the psychedelic ecosystem with embodied technology, including augmented reality, virtual reality, and interactive holograms.

  The Acquisition was completed pursuant to the terms of the definitive agreement (the "Acquisition Agreement") dated June 7, 2021, pursuant to which Red Light US acquired all of the issued and outstanding shares of Radix Motion ("Radix Shares") for approximately US$3.2 Million. The consideration was comprised of: (i) 12,701,741 common shares of Red Light (the "Red Light Shares"), having an aggregate value of US$3,195,406 with each Red Light Share priced at the 10-day volume weighted average price of the Red Light Shares on the Canadian Securities Exchange immediately prior to the closing of the Acquisition (the "Share Consideration"); and (ii) US$67,413.05 in cash (the "Cash Consideration"). Pursuant to the Acquisition Agreement, 25% of the Acquisition consideration has been placed in escrow for a period of 18 months from Closing, and the Red Light Shares issued pursuant to the Share Consideration are subject to a 24 month lock-up, with 1/6 released every 4 months.

- June 10, 2021 – The Issuer announced that is completed the acquisition of an 80% stake in 4316747 Nova Scotia Limited ("Happy Caps"). Happy Caps Mushroom Farm in Nova Scotia, Canada, is a unique gourmet mushroom farm, cleverly positioned in the mushroom plug spawn business, selling fresh mushrooms for the wholesale market and specializing in 'grow your own mushroom kits' with sales in Canada and the United States.

  The Acquisition was completed pursuant to the terms of the definitive agreement (the "Acquisition Agreement") dated June 10, 2021, pursuant to which Red Light Holland acquired 80% of the issued and outstanding shares of Happy Caps for $450,000. The consideration was comprised of $50,000 cash and 1,290,323 common shares of the Company (the "Red Light Shares"), with each Red Light Share priced at $0.31 being the 10-day volume weighted average price of the Red Light Shares on the Canadian Securities Exchange immediately prior to the closing of the Acquisition. The Acquisition Agreement provides for up to $550,000 of earn out payments to be made to the Vendors subject to reaching certain sales milestones, with all milestones subject to minimum gross margin requirements. In addition to the foregoing, as per the terms of the Acquisition Agreement, the Vendors have granted the Company an option to acquire all the remaining shares in Happy Caps not held by the Company, thus allowing Red Light Holland to become the sole shareholder of Happy Caps (the "Call Option"), at a 100% enterprise value equal to $2,500,000. The Call Option will be exercisable at any time following a period of two (2) years from closing. The consideration under the Call Option, if exercised, may be satisfied in Red Light Shares, on the basis of a deemed price per Red Light Share equal to the volume weighted average price per Red Light Share on the CSE for the 10 consecutive trading days preceding closing of the Call Option.

- June 16, 2021 – The Issuer announced that it has entered into a definitive scheme implementation deed (the "Deed") to combine businesses and create The HighBrid Lab (the "Combined Company" or "The HighBrid Lab"), a leading global psychedelics and cannabinoid company.

  The transaction will be carried out by way of statutory schemes of arrangement under the Corporations Act 2001 (Cth), pursuant to which Red Light Holland will acquire (i) all of the issued fully paid ordinary shares of Creso Pharma (the "Scheme"), and (ii) all of the issued listed options of Creso Pharma (the "Option Scheme") in exchange for the issue of common shares of Red Light Holland ("Red Light Holland Shares") on the terms and conditions set forth in the Deed. Under the terms of the Deed, the shareholders of Creso Pharma (the "Creso Pharma Shareholders") will receive 0.395 of a Red Light Holland Share for each fully paid ordinary share of Creso Pharma (each, an "Creso Pharma Share") held immediately prior to the effective time of the Scheme. In addition, (i) holders of listed options of Creso Pharma (the "Creso Pharma Listed Optionholders") will receive 0.257 of a Red Light Holland Share for each listed option of Creso Pharma (each, a "Creso Pharma Listed Option") and (ii) holders of the various other classes of unlisted Creso Pharma securities will be offered Red Light Holland options or warrants based on ratios detailed in the Deed.

Upon implementation of the Scheme and the Option Scheme (together, the "Schemes"), it is expected that the former Creso Pharma securityholders will own approximately 57.4% of the pro forma issued and outstanding Red Light Holland Shares, resulting in a reverse takeover of Red Light Holland by the Creso Pharma security holders. Following implementation of the Schemes, the Combined Company is expected to have a cash balance of approximately C$45 million (A$48 million), providing considerable financial flexibility to progress its growth strategy.

- June 17, 2021 – The Issuer hosted a live stream to discuss the previously announced strategic business combination with Cresco Pharma. The presentation went over the transaction in detail, including key terms, strategic objectives, and potential synergies.

- June 22, 2021 – The Issuer announced that it entered into a non-binding letter of intent to acquire a 51% stake in Acadian Exotic Mushrooms Ltd. ("AEM"). AEM is a dormant gourmet mushroom production facility co-owned by leading Canadian mushroom farming groups/individuals Holburne Mushroom Farm and Mike and Fernando Medeiros (the "Vendors"). Upon completion of start-up activities, the 22,000 square foot facility, which sits on approximately 4 acres of land in Eel River Crossing, New Brunswick, is expected to produce up to 5,000 pounds of Shiitake mushrooms per week. AEM will also have the ability to produce, package and distribute a wide variety of fresh mushrooms while offering an assortment of dried options and the potential to produce functional mushroom consumer packaged goods. Further details of the proposed 51% acquisition will be announced once available.

Schedule “B”

The information in this Schedule “B” is intended to be a summary only of certain risk factors and is qualified in its entirety by reference to, and should be read in conjunction with detailed information appearing elsewhere herein and in the public disclosure of the Issuer, which is available under the profile of the Issuer on SEDAR at www.sedar.com. The risks and uncertainties discussed in identified in Schedule “B” are not, and are not intended to be an exhaustive list of, the only ones the Issuer is facing. Additional risks and uncertainties not presently known to the Issuer, or that it currently deems immaterial, may also impair its operations. If any such risks actually occur, the business, financial condition, liquidity and results of the Issuer’s operations could be materially adversely affected.

Regulatory risks

Successful execution of the Issuer’s strategy is contingent, in part, upon compliance with regulatory requirements from time to time enacted by governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its premium brand of truffles and future products. The truffles industry is a fairly new industry and the Issuer cannot predict the impact of the ever-evolving compliance regime in respect of this industry. Similarly, the Issuer cannot predict the time required to secure all appropriate regulatory approvals for its premium brand of truffles and future products, or the extent of testing and documentation that may, from time to time, be required by governmental authorities. The impact of compliance regimes, any delays in obtaining, or failure to obtain regulatory approvals may significantly delay or impact the development of markets, its business and products, and sales initiatives and could have a material adverse effect on the business, financial condition and operating results of the Issuer.

The Issuer will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or result in restrictions on the Issuer’s operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Issuer’s operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, financial condition and operating results of the Issuer.

Risks Related to the Issuer’s Business and Industry

Early Stage of the Industry and Growth

The truffles industry is in a nascent stage. Unforeseen and unanticipated changes in, or introduction of, laws and regulations in the Netherlands and jurisdictions within which the Issuer may from time to time be engaged in could have a material adverse effect on the Issuer’s ability to successfully establish its business and market its premium brand of truffles. The truffles industry may also be subject to rapid and sustained growth and development, resulting is a variety of competitors and companies entering the market, which could have a material adverse effect on the Issuer’s ability to attract and retain staff and consumer support for its product offerings.

Plans for Growth

The Issuer intends to grow rapidly and significantly expand its operations within the next twelve (12) to twenty-four (24) months. This growth will place a significant strain on the Issuer’s management systems and resources. The Issuer will not be able to implement its business strategy in a rapidly evolving market, without an effective planning and management process. In particular, the Issuer may be required to manage multiple relationships with various strategic industry participants and other third parties, which relationships could be strained in the event of rapid growth. Similarly, a large increase in the number of third-party relationships the Issuer has, may lead to management of the Issuer being unable to manage growth effectively. The occurrence of such events may result in the Issuer being unable to successfully identify, manage and exploit existing and potential market opportunities.

No Assurance of Commercial Success

The successful commercialization of the Issuer's premium brand of truffles and its future products will depend on many factors, including, the Issuer's ability to establish and maintain working partnerships with industry participants in order to market its premium brand of truffles and future products, the Issuer's ability to supply a sufficient amount of its premium brand of truffles to meet market demand, and the number of competitors within each jurisdiction within which the Issuer may from time to time be engaged. There can be no assurance that the Issuer or its industry partners will be successful in their respective efforts to develop and implement, or assist the Issuer in developing and implementing, a commercialization strategy for the Issuer's premium brand of truffles and future products.

Limited Marketing and Sales Capabilities

The Issuer will, for the immediate future, have limited marketing and sales capabilities, and there can be no assurance that it will be able to develop or acquire these capabilities at the level needed to produce and deliver for sale, through industry partners, its premium brand of truffles in sufficient commercial quantities. Further, there can be no assurance that the Issuer, either on its own or through arrangements with other industry participants, will be able to develop or acquire such capabilities on a cost-effective basis, or at all. Finally, there can be no assurance that the Issuer's industry partners will be able to market or sell the Issuer's premium brand of truffles and future products in compliance with requisite regulatory protocols or on a cost-effective basis. The Issuer's dependence upon third parties for the production, and marketing or sale, as applicable, of the Issuer's premium brand of truffles and future products could have a material adverse effect on the Issuer's business, financial condition and results of operations.

No Profits or Significant Revenues

The Issuer has no history upon which to evaluate its performance and future prospects. The Issuer's proposed operations are subject to all the business risks associated with new enterprises. These include likely fluctuations in operating results as the Issuer makes significant investments in research, development and product opportunities, and reacts to developments in its market, including purchasing patterns of customers, and the entry of competitors into the market. The Issuer will only be able to pay dividends on any shares once its directors determine that it is financially able to do so.

The Issuer has incurred net losses for the years ended March 31, 2020, 2019, 2018 and 2017 and for the three-month period ended June 30, 2020 and has generated limited revenues since inception. As a result, the Issuer cannot make any assurance that it will be profitable in the next three (3) years or generate sufficient revenues to pay dividends to the holders of the Issuer Shares.

Reliance on Management and Key Personnel

The Issuer believes that its success has depended, and continues to depend, on the efforts and talents of its executives and employees, including its Chief Executive Officer. The Issuer's future success depends on its continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and the Issuer may incur significant costs to attract and retain them. In addition, the loss of any of the Issuer's senior management or key employees could materially adversely affect its ability to execute its business plan and strategy, and it may not be able to find adequate replacements on a timely basis, or at all.

The Issuer does not maintain key person life insurance policies on any of its employees.

Factors which may prevent realization of growth targets

The Issuer's business is in the early development stage. There is a risk that the resources necessary for its business and operations may not be secured on time, on budget, or at all, and further, that the Issuer may not have sufficient truffles and/or future products available to meet the anticipated future demand when it arises, as a result of being adversely affected by a variety of factors, including some that are discussed elsewhere in these Risk Factors and the following:

- failure, or delays in, obtaining, or satisfying conditions from time to time imposed by, regulatory approvals
- non-performance by third party industry partners
- increases in materials or labour costs
- breakdown, aging or failure of equipment or processes
- third party or operator errors
- operational inefficiencies
- disruptions or declines in productivity
- inability to attract sufficient numbers of qualified workers
- disruption in the supply of energy and utilities
- major incidents and/or catastrophic events such as fires, explosions or storms

The Issuer may experience additional expenditures related to unforeseen issues that have not been taken into account in the preparation of this Listing Statement.

Additional financing

The continued development of the Issuer's business may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of the Issuer's current business strategy or the Issuer ceasing to carry on business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Issuer. If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of the Issuer Shares. In addition, from time to time, the Issuer may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed wholly or partially with debt, which may temporarily increase the Issuer's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Issuer to obtain additional capital and to pursue business opportunities, including potential acquisitions. Debt financings may contain provisions, which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Issuer would be able to repay such loans in such an event or prevent the enforcement of security granted pursuant to such debt financing. The Issuer may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict the Issuer's ability to pursue its business objectives.

Competition

The industry within which the Issuer intends to operate will become intensely competitive in all its phases, and the Issuer will face intense competition from other companies, some of which can be expected to have more financial resources and retail, cultivation, processing, and marketing experience than the Issuer. There can be no assurance that potential competitors of the Issuer, which may have greater financial, cultivation, production, sales and marketing experience, and personnel and resources than the Issuer, are not currently developing, or will not in the future develop, products and strategies that are equally or more effective and/or economical as any products or strategies developed by the Issuer or which would otherwise render the Issuer's business, products and strategies, as applicable, ineffective, or obsolete. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Issuer.

Impact of the COVID-19 Pandemic

COVID-19 is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). Since December 31, 2019, the outbreak of COVID-19 has led governments worldwide to enact emergency measures to combat the spread of the virus. These measures, which include, among other things, the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. Such events may result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Issuer's profitability, results of operations, financial condition and the market and trading price of the Issuer's securities.

As of the date of this Listing Statement, the duration and the immediate and eventual impact of the COVID-19 pandemic remains unknown. In particular, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Issuer and its industry partners. To date, a number of businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. In the event that the operations or development of the Issuer or one or more of the Issuer's industry partners is suspended or scaled back, or if the Issuer's supply chains are disrupted, such events may have a material adverse impact on the Issuer's profitability, results of operations, and financial condition. The breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse impact on the Issuer's profitability, results of operations and financial conditions and the market and trading price of the Issuer's securities.

In addition to the above-noted risks, the Issuer's proposed business is subject to the additional risk that the COVID-19 pandemic, or public perception of the COVID-19 pandemic, could cause potential consumers of the Issuer's product offerings to avoid public places, including Smart Shops and other retail properties, which could cause temporary or long-term disruptions in market demand for truffles, and/or the supply and delivery of truffles. Furthermore, the COVID-19 pandemic (or similar outbreaks or other public health crises) could lead to employees of the Issuer's industry partners to avoid their places of employment, which could adversely affect our industry partners' ability to adequately staff and manage their respective businesses, and in turn have a material adverse impact on the Issuer's profitability, results of operations and financial conditions, and the market and trading price of the Issuer's securities. Finally, there is a risk that one or more orders by governmental authorities in the Netherlands could lead to the complete or partial closure of one or more Smart Shops and/or the facilities or operations of the Issuer and its industry partners for an indefinite period of time.

Unfavourable publicity or consumer perception

The Issuer believes the truffles industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of truffles as well as products produced or manufactured using truffles. Consumer perception of the Issuer's premium brand of truffles and future products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of truffles and products produced or manufactured using truffles. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the medical and/or recreational truffles industry or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Issuer's premium brand of truffles and future products and the business, results of operations, financial condition and cash flows of the Issuer. The Issuer's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Issuer, the demand for the Issuer's premium brand of truffles and future products, and the business, results of operations, financial condition and cash flows of the Issuer. Further, adverse publicity reports or other media attention regarding the safety, efficacy and quality of truffles in general, or the Issuer's premium brand of truffles and future products and services specifically, or associating the consumption of truffles with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products legally, appropriately or as directed.

Product liability

The Issuer may be subject to various product liability claims, including claims that its premium brand of truffles and future products contain contaminants, are improperly labeled or include inadequate instructions as to use or inadequate warnings concerning side effects and interactions with other substances. In addition, the Issuer may be forced to defend lawsuits. The Issuer cannot predict whether product liability claims will be brought against it in the future or the effect of any resulting adverse publicity on the business. Moreover, the Issuer may not have adequate resources in the event of a successful claim against it. The successful assertion of a product liability claim against it could result in potentially significant monetary damages. In addition, interactions of the products with other similar products, prescription medicines and over-the-counter drugs have not been fully explored.

The Issuer may also be exposed to claims relating to product advertising or product quality. People may purchase the Issuer's premium brand of truffles and future products expecting certain results. If they do not perceive expected results to occur, certain individuals or groups may seek monetary retribution.

Contamination and Production Interruptions

The Issuer intends to assess, and where necessary, adopt various quality, environmental, health and safety standards. However, the Issuer's premium brand of truffles and future products may still not meet such standards or could otherwise become contaminated. A failure to meet such standards or contamination could occur in its operations or those of its industry partners, as applicable. Such a failure or contamination could result in expensive interruptions in the Issuer's business, as well as recalls and liability claims. Moreover, negative publicity could be generated even from false, unfounded or nominal liability claims or limited recalls. Any of these failures or occurrences could negatively affect the Issuer's business and financial performance.

Promoting the Brand

Promoting the Issuer's brand will be critical to creating and expanding a customer base. Promoting the brand will depend largely on the Issuer's ability to provide quality truffles to the market. Further, the Issuer may, in the future, introduce new products or services that its customers do not like, which may negatively affect the brand and reputation. If the Issuer fails to successfully promote its brand or if it incurs excessive expenses in this effort, its business and financial results from operations could be materially adversely affected.

Product Viability

If the Issuer's premium brand of truffles and future products are not perceived to have the effects intended by the end user, the Issuer's business may suffer. In general, truffles have minimal long-term data with respect to efficacy, unknown side effects and/or interaction with individual human biochemistry or other supplements or medications. As a result, the Issuer's premium brand of truffles could have certain side effects if not used as directed or if taken by an end user that has certain known or unknown medical conditions.

Success of Quality Control Systems

The quality and safety of the Issuer's products are critical to the success of its business and operations. As such, it is imperative that the Issuer (and its service providers') quality control systems operate effectively and successfully. Quality control systems can be negatively impacted by the design of the quality control systems, the quality of the training program and adherence by employees to quality control guidelines. Any significant failure or deterioration of such quality control systems could have a material adverse effect on the Issuer's business and operating results.

Product recalls

Producers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If the Issuer's premium brand of truffles or its future products are recalled due to an alleged product defect or for any other reason, the Issuer could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Issuer may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Issuer intends to assess, and where necessary, implement procedures in place for testing processed truffles and future products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if the Issuer's premium brand of truffles or it future products were subject to recall, the image of such product and the Issuer could be harmed. Any recall, including for any of the foregoing reasons, could lead to decreased demand for the Issuer's premium brand of truffles and future products, and could have a material adverse effect on the results of operations and financial condition of the Issuer. Additionally, product recalls may lead to increased scrutiny of the operations of the Issuer by regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Reliance on key inputs

The Issuer's business is expected to be dependent on a number of key inputs and their related costs including raw materials and supplies. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of the Issuer. Examples of potential risks include, but are not limited to, the risk that crops may become diseased or victim to insects or other pests and contamination, or subject to extreme weather conditions such as excess rainfall, freezing temperature, or drought, all of which could result in low crop yields, decreased availability of truffles, and higher acquisition prices. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of the Issuer.

Risks Related to Third Party Relationships

The Issuer intends to enter into strategic alliances with third parties that the Issuer believes will complement or augment its proposed business or will have a beneficial impact on the Issuer. Strategic alliances could present unforeseen integration obstacles or costs, may not enhance the Issuer's business, and may involve risks that could adversely affect the Issuer, including significant amounts of management time that may be diverted from operations in order to pursue and complete such transactions or maintain such strategic alliances. Future strategic alliances could result in the incurrence of additional debt, costs and contingent liabilities, and there can be no assurance that future strategic alliances will achieve, or that the Issuer's existing strategic alliances will continue to achieve, the expected benefits to the Issuer's business or that the Issuer will be able to consummate future strategic alliances on satisfactory terms, or at all. Any of the foregoing could have a material adverse effect on the Issuer's business, financial condition and results of operations.

In addition to the foregoing, the success of the Issuer's business will depend, in large part, on the Issuer's ability to enter into, and maintain collaborative arrangements with various participants in the truffles industry. There can be no assurance that the Issuer will be able to enter into collaborative arrangements in the future on acceptable terms, if at all. There can be no assurance that such arrangements will be successful, that the parties with which the Issuer has or may establish arrangements will adequately or successfully perform their obligations under such arrangements, that potential partners will not compete with the Issuer by seeking or prioritizing alternate, competitor products. The termination or cancellation of any such collaborative arrangement or the failure of the Issuer and/or the other parties to these arrangements to fulfill their obligations could have a material adverse effect on the Issuer's business, financial condition and results of operations. In addition, disagreements between the Issuer and any of its industry partners could lead to delays or time consuming and expensive legal proceedings, which could have a material adverse effect on the Issuer's business, financial condition and results of operations.

Liability arising from Fraudulent or Illegal Activity

The Issuer is exposed to the risk that its employees, independent contractors, consultants, service providers and licensors may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional undertakings of unauthorized activities, or reckless or negligent undertakings of authorized activities, in each case on the Issuer's behalf or in its service that violate (i) various laws and regulations, including healthcare laws and regulations, (ii) laws that require the true, complete and accurate reporting of financial information or data, (iii) the terms of the Issuer's agreements with third parties. Such misconduct could expose the Issuer to, among other things, class actions and other litigation, increased regulatory inspections and related sanctions, and lost sales and revenue or reputational damage.

The Issuer cannot always identify and prevent misconduct by its employees and other third parties, including third party service providers, and the precautions taken by the Issuer to detect and prevent this activity may not be effective in controlling unknown, unanticipated or unmanaged risks or losses or in protecting it from governmental investigations or other actions or lawsuits stemming from such misconduct. If any such actions are instituted against the Issuer, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal or administrative penalties, damages, monetary fines and contractual damages, reputational harm, diminished profits and future earnings or curtailment of its operations.

Relationships with Industry Participants

The Issuer believes that establishing sustainable, working relationships with the various industry participants in the truffles industry is important to develop its brand and product recognition and increase sales volume. As of the date of this Listing Statement, other than in respect of the Revive Agreement, the Issuer has not established any working relationships with any industry participants in the truffles industry, and there can be no assurance that the Issuer will be able to establish, or once established, sustain these relationships with industry participants. Any such failure or inability will impede the Issuer's ability to develop its brand and product recognition and increase sales volume, which may have a material adverse effect on the Issuer's business, results of operations and financial condition.

Difficulty to forecast

The Issuer must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the truffles industry. A failure in the demand for the Issuer's premium brand of truffles and future products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Issuer.

Operating risk and insurance coverage

The Issuer does not have insurance to protect its assets, operations and employees. While the Issuer may, in the future obtain insurance coverage to address all material risks to which it is exposed and is adequate and customary in its proposed state of operations, such insurance will be subject to coverage limits and exclusions and may not be available for the risks and hazards to which the Issuer is expected to be exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Issuer's liabilities or will be generally available in the future, or if available, that premiums will be commercially justifiable. If the Issuer were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Issuer were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Costs of Operating as Public Company

As a public company, the Issuer will incur significant legal, accounting and other expenses. As a public company, the Issuer is subject to various securities rules and regulations, which impose various requirements on the Issuer, including the requirement to establish and maintain effective disclosure and financial controls and corporate governance practices. The Issuer's management and other personnel need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations increase the Issuer's legal and financial compliance costs and make some activities more time-consuming and costly.

Management of growth

The Issuer may be subject to growth-related risks, including capacity constraints and pressure on its internal systems and controls. The ability of the Issuer to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Issuer to deal with this growth may have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

Conflicts of interest

The Issuer may be subject to various potential conflicts of interest because of the fact that some of its officers and directors may be engaged in a range of business activities. The Issuer's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Issuer. In some cases, the Issuer's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Issuer's business and affairs and that could adversely affect the Issuer's operations. These outside business interests could require significant time and attention of the Issuer's executive officers and directors.

In addition, the Issuer may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time to time deal with persons, firms, institutions or companies with which the Issuer may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Issuer, and from time to time, these persons may be competing with the Issuer for available investment opportunities.

Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, in the event that such a conflict of interest arises at a meeting of the Issuer's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer.

Unpredictable and volatile market price for Issuer Shares

The market price for Issuer Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Issuer's control, including the following:

- actual or anticipated fluctuations in the Issuer's quarterly results of operations
- recommendations by securities research analysts
- changes in the economic performance or market valuations of companies in the industry in which the Issuer operates
- addition or departure of the Issuer's executive officers and other key personnel
- release or expiration of lock-up or other transfer restrictions on outstanding Issuer Shares
- sales or perceived sales of additional Issuer Shares
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Issuer or its competitors
- operating and share price performance of other companies that investors deem comparable to the Issuer
- fluctuations to the costs of vital production materials and services
- changes in global financial markets and global economies and general market conditions, such as interest rates and pharmaceutical product price volatility
- operating and share price performance of other companies that investors deem comparable to the Issuer or from a lack of market comparable companies
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Issuer's industry or target markets

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Issuer Shares may decline even if the Issuer's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which might result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Issuer's operations could be adversely affected and the trading price of the Issuer Shares might be materially adversely affected.

No dividends

The Issuer's current policy is, and will be, to retain earnings to finance the development and enhancement of its products and to otherwise reinvest in the Issuer. Therefore, the Issuer does not anticipate paying cash dividends on the Issuer Shares in the foreseeable future. The Issuer's dividend policy will be reviewed from time to time by the Issuer Board in the context of its earnings, financial condition and other relevant factors. Until the time that the Issuer does pay dividends, which it might never do, its shareholders will not be able to receive a return on their Issuer Shares unless they sell them. See "Dividend Policy".

Future sales of Issuer Shares by existing shareholders

Sales of a substantial number of Issuer Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Issuer Shares intend to sell Issuer Shares, could reduce the market price of our Issuer Shares. Holders of options to purchase Issuer Shares will have an immediate income inclusion for tax purposes when they exercise their options (that is, tax is not deferred until they sell the underlying Issuer Shares). As a result, these holders may need to sell Issuer Shares purchased on the exercise of options in the same year that they exercise their options. This might result in a greater number of Issuer Shares being sold in the public market, and fewer long-term holds of Issuer Shares by Management and our employees.