A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada (other than Québec), but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. *This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any applicable state securities laws and may not be offered or sold in the United States (as such term is defined in Regulation S under the U.S. Securities Act) except in accordance with the Underwriting Agreement (as defined herein) and pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See "Plan of Distribution".*

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the General Counsel of Field Trip Health Ltd., at 30 Duncan Street, Suite 401, Toronto, ON M5V 2C3, telephone (833) 833-1967, and are also available electronically at www.sedar.com.*

PRELIMINARY SHORT FORM PROSPECTUS

New Issue March 3, 2021

FIELD TRIP HEALTH LTD.

$82,875,000
12,750,000 Common Shares

$6.50 per Common Share

This preliminary short form prospectus (this "**Prospectus**") qualifies the distribution (the "**Offering**") of 12,750,000 common shares (the "**Offered Shares**") in the capital of Field Trip Health Ltd. (the "**Corporation**" or "**Field Trip**") at a price of $6.50 per Offered Share (the "**Offering Price**") for aggregate gross proceeds to the Corporation of $82,875,000 pursuant to an underwriting agreement (the "**Underwriting Agreement**") to be dated as of March 3, 2021 among the Corporation, Bloom Burton Securities Inc., as lead underwriter and sole book-runner (the "**Lead Underwriter**"), Stifel Nicolaus Canada Inc. and Canaccord Genuity Corp. (together with the Lead Underwriter, the "**Underwriters**"). The Offering Price and other terms of the Offering were determined by arm's length negotiation between the Corporation and the Lead Underwriter, with reference to the prevailing market price of the common shares of the Corporation (the "**Common Shares**") on the Canadian Securities Exchange (the "**CSE**"). The Offered Shares will be offered in each of the provinces of Canada, other than Québec (collectively, the "**Offering Jurisdictions**"). The Offered Shares will be offered in each such province through the Underwriters or their affiliates who are registered to offer the Offered Shares for sale in such Offering Jurisdictions and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Offered Shares in the United States and such other jurisdictions outside of Canada and the United States as agreed between the Corporation and the Underwriters. See "*Plan of Distribution*".

The Common Shares are currently listed for trading on the CSE under the symbol "FTRP". On February 24, 2021, the last full trading day before the announcement of the Offering, the closing price per Common Share on the CSE was $8.00.

The Corporation has applied to list the Offered Shares, the Over-Allotment Shares (as defined herein) and the Compensation Shares (as defined herein) distributed under this Prospectus on the CSE. Listing will be subject to the Corporation fulfilling all the listing requirements of the CSE.

	Price to the Public	Underwriters' Fee[(1)(4)]	Net Proceeds to the Corporation[(2)]
Per Offered Share	$6.50	$0.341	$6.159
Total Offering[(3)(4)]	$82,875,000	$4,350,937.50	$78,524,062.50

Notes:

(1) In consideration for the services rendered by the Underwriters in connection with the Offering, the Corporation has agreed to pay the Underwriters a cash fee (the "**Underwriters' Fee**") equal to 5.25% of the gross proceeds of the Offering (including in respect of any exercise of the Over-Allotment Option (as defined herein)). The Corporation has also agreed to issue the Underwriters such number of compensation warrants (each, a "**Compensation Warrant**") as is equal to 5.25% of the number of Offered Shares sold pursuant to the Offering (including any Over-Allotment Shares sold upon the exercise of the Over-Allotment Option). Each Compensation Warrant is exercisable to purchase one Common Share (each, a "**Compensation Share**") at the Offering Price, subject to customary adjustment, for a period of twenty-four (24) months following the Closing Date. The Underwriters will be reimbursed for their expenses and legal fees incurred pursuant to the Offering, plus disbursements and taxes. This Prospectus qualifies the distribution of the Compensation Warrants and the Compensation Shares issuable upon exercise thereof. See "*Plan of Distribution*".

(2) After deducting the Underwriters' Fee, but before deducting expenses and legal fees of the Offering, which are estimated to be approximately $500,000. See "*Use of Proceeds*".

(3) The Corporation has granted to the Underwriters an option, exercisable in whole or in part in the sole discretion of the Lead Underwriter, at any time and from time to time, for a period of 30 days following the Closing Date, to purchase up to an additional 15% of the number of Offered Shares sold under the Offering at the Offering Price, being up to 1,912,500 Common Shares (the "**Over-Allotment Shares**"), to cover the Underwriters' over-allocation position, if any, and for market stabilization purposes (the "**Over-Allotment Option**"). If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' Fee and net proceeds to the Corporation (before deducting expenses of the Offering) will be $95,306,250, $5,003,578.13 and $90,302,671.87, respectively. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option. A person who acquires securities forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus regardless of whether the Underwriters' over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "*Plan of Distribution*" and the table below.

(4) Assumes no exercise of the Over-Allotment Option.

Underwriters' Position	Maximum Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	1,912,500 Over-Allotment Shares	Up to 30 days following the Closing Date	$6.50 per Over-Allotment Share
Compensation Warrants	669,375 Compensation Warrants[(1)]	24 months following the Closing Date	$6.50 per Compensation Share

Notes:

(1) An aggregate of 769,781 Compensation Warrants will be issued to the Underwriters if the Over-Allotment Option is exercised in full. This Prospectus qualifies the distribution of the Compensation Warrants and the Compensation Shares upon the exercise of the Compensation Warrants in full. See "*Plan of Distribution*".

Unless the context otherwise requires, when used herein, all references to the "Offering", "Offered Shares", "Compensation Warrants" and "Compensation Shares" assume the exercise of the Over-Allotment Option and includes the Over-Allotment Shares.

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*", and subject to the approval of certain legal matters by Bennett Jones LLP, on behalf of the Corporation, and by Borden Ladner Gervais LLP, on behalf of the Underwriters.

Subscriptions for Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of the Offering will occur on or about March 16, 2021 or such other date as the Corporation and the Underwriters may agree, provided that the Offered Shares are taken up by the Underwriters not more than 42 days after the date of the receipt of the final short form prospectus (the "**Closing**" or "**Closing Date**"). It is anticipated that the Offered Shares will be issued in "book-entry only" form and may be represented by one or more global certificates, or be represented by uncertificated securities, issued in the name of CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee. No certificates evidencing the Offered Shares will be issued to subscribers, except in certain limited circumstances, and registration will be made in the name of the nominee of CDS. Notwithstanding the foregoing, all Offered Shares offered and sold in the United States to "accredited investors" as such term is defined in Rule 501(a) of Regulation D promulgated under the U.S. Securities Act (the "**U.S. Accredited Investors**") will be issued in certificated, individually registered form. See "*Plan of Distribution*".

Subject to applicable laws, the Underwriters may, in connection with the Offering, over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Offered Shares offered by this Prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

An investment in the Offered Shares is highly speculative and involves a high degree of risk that should be considered by potential purchasers. An investment in the Offered Shares is suitable only for those purchasers who are willing to risk a loss of some or all of their investment and who can afford to lose some or all of their investment. The risk factors included and incorporated by reference into this Prospectus should be reviewed carefully and evaluated by prospective purchasers of the Offered Shares offered hereunder. See "*Risk Factors*" and "*Forward-Looking Statements*".

The Underwriters propose to initially offer, either directly or through their broker-dealer affiliates or agents, the Offered Shares at the Offering Price. After a reasonable effort has been made to sell all of the Offered Shares at the Offering Price, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Offered Shares remaining unsold. **Accordingly, the Underwriters may offer the Offered Shares at a lower price than that stated above.** Any such reduction will not affect the proceeds received by the Corporation. See "*Plan of Distribution*".

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus. The Corporation and the Underwriters have not authorized anyone to provide prospective purchasers with information different from that contained or incorporated by reference in this Prospectus. Investors should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the front page of this Prospectus.

Prospective purchasers should be aware that the acquisition or disposition of the Offered Shares described herein may have tax consequences in Canada. This Prospectus may not describe these tax consequences fully. **Prospective purchasers should rely on their own tax advisors with respect to their own particular circumstances**. See "*Certain Canadian Federal Income Tax Considerations*".

Certain of the Corporation's current directors reside outside of Canada. The persons named below have appointed the Corporation as their agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

Name of Director	Title	Name and Address of Agent
Helen Boudreau	Director	Field Trip Health Ltd., 30 Duncan Street, Suite 401, Toronto, ON M5V 2C3
Dieter Weinand	Director	Field Trip Health Ltd., 30 Duncan Street, Suite 401, Toronto, ON M5V 2C3

Pursuant to the terms of an advisory agreement dated May 20, 2020 (the "**Advisory Agreement**"), the Corporation has agreed to issue up to 102,000 warrants to purchase Common Shares to the advisor (the "**Advisor Warrants**") as payment of a mutually agreed advisory fee concurrently with the completion of the Offering. Each Advisor Warrant will be exercisable to purchase one Common Share for a period of 24 months following the completion of the Offering at an exercise price of $6.50 per Common Share. See "*Plan of Distribution*".

Following the announcement of the Offering, Joseph del Moral, Donna Wong, Paula Amy Hewitt and Nathan Bryson, the Chief Executive Officer, the Chief Financial Officer, the Vice President, General Counsel and Corporate Secretary and the Chief Scientific Officer, respectively expressed an intention to participate in the Offering and acquire approximately $362,900 in Offered Shares. The Corporation is in the process of finalizing the total participation in the Offering by Insiders (as defined in the *Securities Act* (Ontario)) of the Corporation (collectively, the "**Participating Insiders**"). The final prospectus in relation to the Offering will provide an update and confirmation of total Insider participation in the Offering. The participation of the Participating Insiders in the Offering would constitute a "related party transaction", as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* ("**MI 61-101**"), and would require the Corporation to receive minority shareholder approval for, and obtain a formal valuation for the subject matter of, the transaction in accordance with MI 61-101, prior to the completion of such transaction. However, the Corporation intends to rely on exemptions from the formal valuation and the minority shareholder approval requirements of MI 61-101, in each case on the basis that the fair market value of the Participating Insiders' participation in the Offering is not anticipated to exceed 25% of the market capitalization of the Corporation, as determined in accordance with MI 61-101. See "*Plan of Distribution*".

The registered and head office of the Corporation is located at 30 Duncan Street, Suite 401, Toronto, ON M5V 2C3.

The Corporation operates ketamine-enhanced psychotherapy clinics in Canada and the United States, conducts research and development on psilocybin mushrooms in Jamaica and a portion of the Corporation's business is focused on developing and commercializing psychedelic-inspired regulated medicines. No product will be commercialized prior to applicable legal or regulatory approval. As of the date hereof, the Corporation is in the process of setting up its business and developing its strategic plan for its clinic-based operations in the Netherlands, having hired three employees for these purposes, having entered into a lease and commenced construction on its leased property in Amsterdam.

The Canadian and United States federal governments regulate drugs through the Controlled Drugs and Substances Act (Canada) (the "CDSA") and the Controlled Substances Act (21 U.S.C. § 811) (the "CSA"), respectively, which place controlled substances in a schedule. Under the CDSA, ketamine is currently a Schedule I drug and psilocybin is currently a Schedule III drug. Under the CSA, ketamine is currently a Schedule III drug and psilocybin is currently a Schedule I drug.

Unlike in Canada and the United States, psilocybin mushrooms are not an illegal drug under Jamaica's Dangerous Drugs Act, 1948.

The Opium Act (Opiumwe) (the "Opium Act") is the primary drug legislation in the Netherlands. Subject to certain requirements, the Opium Act does not prohibit the cultivation, production and sale of fresh, unprocessed truffles.

Health Canada and the Food and Drug Administration in the United States have not approved psilocybin as a drug for any indication, however ketamine is a legally permissible medication for the treatment of certain psychological conditions. It is illegal to possess such substances without a prescription.

The Corporation's operations are conducted in strict compliance with local laws where such activities are permissible and do not require any specific legal or regulatory approvals.

The Corporation does not deal with psychedelic substances except in jurisdictions where such activity is not illegal and then only within (a) laboratory or clinical trial settings, (b) in the case of the Netherlands, within a clinical setting, and (c) in the case of ketamine, as prescribed by a licensed medical practitioner. The Corporation does not have any direct or indirect involvement with illegal selling, production or distribution of any substances in jurisdictions in which it operates.

FT-104 is currently the only substance to be used in a clinical trial setting and is not a controlled or restricted substance under any applicable laws.

The Corporation oversees and monitors compliance with applicable laws in each jurisdiction in which it operates. In addition to the Corporation's senior executives and the employees responsible for overseeing compliance, the Corporation has local regulatory/compliance counsel engaged in every jurisdiction (provincial, state and local) in which it operates. See "*Compliance Program*".

For these reasons, the Corporation may be (a) subject to heightened scrutiny by regulators, stock exchanges, clearing agencies and other authorities, (b) susceptible to regulatory changes or other changes in law, and (c) subject to risks related to drug development, among other things. There are a number of risks associated with the business of the Corporation. See "*Risk Factors*" herein and "*Risk Factors*" in the AIF (as defined herein).

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ABOUT THIS PROSPECTUS

In this Prospectus, unless the context otherwise requires, references to "Field Trip", the "Corporation", "we", "us", "it", "its", "our" or similar terms refer to Field Trip Health Ltd. and include its subsidiary entities.

References to "management" in this Prospectus mean the persons acting in the capacity of the Corporation's Chief Executive Officer, the Corporation's Chief Financial Officer, and the other persons who are the Corporation's executive officers. Any statements in this Prospectus made by or on behalf of management are made in such persons' capacities as officers of the Corporation and not in their personal capacities.

All references in this Prospectus to "dollars", "CDN$" and "$" refer to Canadian dollars. All references to "US$" refer to United States dollars. All references to "€" refer to Euros.

This Prospectus and the documents incorporated herein by reference contain names, product names, trade names, trademarks and service marks of the Corporation. The Corporation owns or has rights to trademarks, service marks or trade names that it uses in connection with the operation of its business. In addition, the Corporation's name and logo are its service marks or trademarks. The other trademarks, trade names and service marks appearing in this Prospectus are the property of their respective owners. Solely for convenience, the trademarks, service marks, tradenames and copyrights referred to in this Prospectus are listed without the ©, ® and ™ symbols, but the Corporation will assert, to the fullest extent under applicable law, its rights or the rights of the applicable licensors to these trademarks, service marks and tradenames.

The information contained on www fieldtriphealth.com, www meetfieldtrip.com or on the Corporation's social media is not intended to be included in or incorporated by reference herein, and prospective investors should not rely on such information when deciding whether or not to invest in the Offered Shares. The Corporation is not making an offer of the Offered Shares in any jurisdiction in which the Offering is not permitted. Readers should not assume that the information contained or incorporated by reference in this Prospectus is accurate as of any date other than the date of this Prospectus or the respective dates of the documents incorporated by reference herein, regardless of the time of delivery of this Prospectus or of any sale of the Offered Shares pursuant hereto. The Corporation does not undertake to update the information contained or incorporated by reference herein, except as required by applicable securities laws. Any market data or other industry forecasts used in this Prospectus or the documents incorporated by reference herein were obtained from market research, publicly available information and industry publications. The Corporation and the Underwriters believe that these sources are generally reliable but the accuracy and completeness of such information is not guaranteed. Neither the Corporation nor the Underwriters have independently verified such information and do not make any representation as to the accuracy of such information. While the Corporation is not aware of any misstatements regarding the industry data presented herein, the Corporation's estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under "*Forward-Looking Statements*" and "*Risk Factors*" in this Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the General Counsel of the Corporation, at 30 Duncan Street, Suite 401, Toronto, ON M5V 2C3, telephone (833) 833-1967, and are also available electronically at www.sedar.com.

As of the date hereof, the following documents, filed with the various securities commissions or similar authorities in each of the provinces and territories of Canada, except Québec, are specifically incorporated by reference into and form an integral part of this Prospectus:

1. the annual information form of the Corporation dated October 23, 2020 for the year ended March 31, 2020 (the "**AIF**");

2. audited annual financial statements of Corporation (formerly, Newton Energy Corporation) for the years ended December 31, 2019 and 2018, together with the auditors' report thereon;

3. audited financial statements of Field Trip Psychedelics Inc. ("**FTP**") for the period from incorporation to March 31, 2020, together with the auditors' report thereon;

4. management's discussion and analysis of Corporation (formerly, Newton Energy Corporation) for the year ended December 31, 2019;

5. management's discussion and analysis of FTP for the period from incorporation on April 2, 2019 to March 31, 2020 and for the three months ended June 30, 2020;

6. the unaudited condensed interim consolidated financial statements of the Corporation for the three and nine months ended December 31, 2020 and periods ended December 31, 2019, together with the notes thereto;

7. the management's discussion and analysis of financial condition and results of operations of the Corporation for the three and nine months ended December 31, 2020;

8. management information circular dated August 21, 2020 relating to the annual and special meeting of shareholders held on September 23, 2020 (the "**Circular**"); other than any statements contained in the Circular to the extent that any statement contained herein or in any other document incorporated or deemed to be incorporated by reference herein filed after the Circular modifies or supersedes any such statements contained in the Circular;

9. material change report dated June 25, 2020 regarding the letter of intent with FTP;

10. material change report dated September 1, 2020 regarding the definitive agreement with FTP;

11. material change report dated October 8, 2020 regarding the completion of the reverse-takeover transaction with FTP;

12. material change report dated November 18, 2020 regarding the lease and plans to open a Field Trip Health Center in Amsterdam, Netherlands;

13. material change report dated December 14, 2020 announcing the January Public Offering (as defined herein);

14. material change report dated January 6, 2021 regarding the closing of the January Public Offering;

15. material change report dated January 28, 2021 announcing the opening of the Corporation's clinic location in Atlanta, Georgia;

16. material change report dated January 29, 2021 announcing the approval of the Common Shares for trading on the OTCQX (as defined herein);

17. material change report dated February 26, 2021 announcing the Offering and the upsize of the Offering; and

18. the template version of the indicative term sheet dated February 26, 2021 in connection with the Offering (the "**Term Sheet**").

Any document of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference into a short form prospectus, including any annual information forms, material change reports (except confidential material change reports), business acquisition reports, interim financial statements, annual financial statements and the auditor's report thereon, management's discussion and analysis and information circulars filed by the Corporation with securities commissions or similar authorities in Canada after the date of this Prospectus and prior to the completion or withdrawal of any offering under this Prospectus shall be deemed to be incorporated by reference into this Prospectus.

This Prospectus in electronic format may be made available electronically, on websites or through other online services maintained by the Underwriters or by their affiliates. Other than this Prospectus in electronic format, the information on the Underwriters' website and any information contained in any other website maintained by the Underwriters or their affiliates is not part of this Prospectus, has not been approved and/or endorsed by the Corporation or the Underwriters, and should not be relied upon by investors.

Notwithstanding anything herein to the contrary, any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document incorporated or deemed to be incorporated by reference herein modifies or supersedes such prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall thereafter neither constitute, nor be deemed to constitute, a part of this Prospectus, except as so modified or superseded.

Information has been incorporated by reference in the Prospectus from documents filed with securities regulatory authorities in Canada and also available electronically at www.sedar.com.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, the market and industry data contained or incorporated by reference in this Prospectus is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Although the Corporation believes these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any survey. The Corporation has not independently verified any of the data from third party sources referred to or incorporated by reference herein, and accordingly the accuracy and completeness of such data is not guaranteed.

MARKETING MATERIALS

The Term Sheet is not part of the Prospectus to the extent that the contents of the Term Sheet have been modified or superseded by a statement contained in the Prospectus. Any “template version” of “marketing materials” (each as defined in National Instrument 41-101 – *General Prospectus Requirements*) filed after the date of this Prospectus and before the termination of the distribution of the Offered Shares (including any amendments to, or an amended version of, the Term Sheet) is deemed to be incorporated by reference into this Prospectus.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus includes "forward-looking information" and "forward-looking statements" within the meaning of Canadian securities laws. All statements, other than statements of historical fact, made by the Corporation that address activities, events or developments that the Corporation expects or anticipates will or may occur in the future are forward-looking statements, including statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on management’s current expectations and assumptions concerning the Corporation’s future events, financial conditions, results of operations, plans, objectives, performance, business developments, objectives or milestones. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking statements in this Prospectus include, but are not limited to, statements related to, the business and future activities of the Corporation, and developments related to, the

Corporation after the date of this Prospectus, including but not limited to, the expectations for the effects of the Transaction (as defined herein), statements relating as future business strategy, competitive strengths, goals, expansion and growth of the Corporation's business, operations and plans, including new revenue streams, the completion of contemplated expansion by the Corporation, changes in laws or regulatory requirements, the market for the Corporation's services, the impact of the COVID-19 pandemic, the business objectives of the Corporation and its research and development activities, the acceptance in the medical community of ketamine and other psychedelic substances as effective treatment for depression, PTSD, addiction and other mental health conditions, the funds available to the Corporation and the use of such funds, the healthcare industry in Canada and the United States, the ability of the Corporation to open and operate the Clinics (as defined herein), as applicable, and additional clinics, the development, patentability and viability of FT Discovery molecule FT-104, the ability of the Corporation to prepare a sufficient new drug application, as required, prior to initiating any additional clinical trials for FT-104, the ability of the Corporation to meet eligibility requirements for clinical testing and through to more complex clinical trials, the ability of the Corporation to obtain regulatory approvals prior to each clinical trial and the ability of the Corporation to generate patient member growth.

The forward-looking statements contained herein are based on certain key management expectations and assumptions, including with respect to expectations and assumptions concerning: (i) receipt of required shareholder and regulatory approvals in a timely manner or at all; (ii) receipt and/or maintenance of required licenses and third party consents in a timely manner or at all; and (iii) the success of the operations of the Corporation.

Forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which are expressed or implied by such forward-looking statements. These risks and uncertainties include those related to: the ability of the Corporation to secure additional financing for current and future operations and capital projects, as needed; forward-looking statements may prove to be inaccurate; future issuances or actual or potential sales of securities; negative operating cash flow and going concern; discretion over the use of proceeds; unpredictability and volatility of the Common Shares and the Warrants (as defined herein); limited operating history as a public company; a significant number of Common Shares are owned by a limited number of existing shareholders; the expected future losses of the Corporation and profitability; significant risks inherent in the nature of the health clinic industry; risks associated with failure to achieve its publicly announced milestones according to schedule, or at all; risks related to potential Oregon operations; reliance on drug developers; reliance on contract manufacturers; violations of laws and regulations; reliance on the capabilities and experience of its key executives and scientists; the possible engagement in misconduct or other improper activities by employees; the expansion of the Corporation's business through acquisitions or collaborations; risk of product liability claims; risks related to third-party licenses; changes in patent law; litigation regarding patents, patent applications, and other proprietary rights; reliance on third parties; no assurance of an active or liquid market; public markets and share prices; additional issuances and dilution; the ability of the Corporation to secure additional financing for current and future operations and capital projects, as needed, which may not be available on acceptable terms, or at all; the Corporation’s dependence on management and key personnel; general economic, market and business conditions, early-stage industry growth rates, the risks associated with competition from other companies directly or indirectly engaged in the Corporation’s industry; negative results from clinical trials; foreign currency exchange rate fluctuations and its effects on the Corporation’s operations; the risks and costs associated with being a publicly traded company, the market demand for the Common Shares; the impact of the COVID-19 pandemic; non-compliance with laws; medical personnel operating out of the Corporation's clinics; unfavourable publicity or consumer perception; patient acquisitions; drug development risks; substantial risks of regulatory or political change; the ability to obtain necessary government permits and licences; ketamine as a pharmaceutical; non-referral of patients; negative cash flow from operating activities; management of growth; intellectual property; litigation; insurance coverage; the Corporation being a holding company; the industry being difficult to forecast; conflicts of interest; enforcement of legal rights; emerging market risks; enforcement of legal rights in foreign jurisdictions; inadequate internal controls over financial reporting; agriculture risks; violations of laws and regulations related to drug development; reliance on third parties for drug development; ability to produce commercial grade pharmaceuticals; clinical testing; regulatory approval process; cyber-attacks; reliance upon insurers and governments; difficulty in enforcing judgments and effecting service of process on directors and officers; any other risks described in this Prospectus, the documents incorporated by reference and described from time to time in documents filed by the Corporation with Canadian securities regulatory authorities; other factors beyond the Corporation’s control; and the risk factors described under the heading "*Risk Factors*" in this Prospectus and the AIF.

There can be no assurance that such forward-looking information and statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such information and statements. Accordingly, readers should not place undue reliance on forward-looking information and statements. The forward-looking information and statements contained herein are presented for the purposes of assisting readers in understanding the Corporation's expected financial and operating performance and the Corporation's plans and objectives and may not be appropriate for other purposes.

The forward-looking information and statements contained in this Prospectus represent the Corporation's views as of the date of this Prospectus and forward-looking information and statements contained in the documents incorporated by reference herein represent the Corporation's views as of the date of such documents, unless otherwise indicated in such documents. The Corporation anticipates that subsequent events and developments may cause its views to change. However, while the Corporation may elect to update such forward-looking information and statements at a future time, it has no current intention of doing so except to the extent required by applicable law.

ELIGIBILITY FOR INVESTMENT

In the opinion of Bennett Jones LLP, counsel to the Corporation, and Borden Ladner Gervais LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder ("**Regulations**") in force as of the date hereof, the Offered Shares, if issued on the date hereof, would be qualified investments for trusts governed by a "registered retirement savings plan", "registered retirement income fund", "registered education savings plan", "registered disability savings plan", "tax-free savings account" (collectively referred to as "**Registered Plans**") or a deferred profit sharing plan ("**DPSP**") (each as defined in the Tax Act), provided that the Offered Shares are listed on a designated stock exchange for the purposes of the Tax Act (which currently includes the CSE) or the Corporation qualifies as a "public corporation" other than a "mortgage investment corporation" for purposes of the Tax Act.

Notwithstanding the foregoing, the holder of, or annuitant or subscriber under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax in respect of Offered Shares held in the Registered Plan if such securities are a prohibited investment for the particular Registered Plan. An Offered Share generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with the Corporation for the purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Corporation. The Offered Shares will not be prohibited investments if such Offered Shares are "excluded property" (as defined in subsection 207.01(1) of the Tax Act) for the Registered Plan. **Persons who intend to hold the Offered Shares in a Registered Plan or DPSP should consult their own tax advisors in regard to the application of these rules in their particular circumstances.**

DESCRIPTION OF THE BUSINESS

Overview

The Corporation was formed on September 30, 2008, pursuant to an amalgamation under the *Business Corporations Act* (Alberta) and adopted the name "Newton Energy Corporation". On September 30, 2020, in connection with the Transaction, the Corporation filed articles of amendment to: (i) consolidate its outstanding Common Shares on an eight (8) old for one (1) new basis; and (ii) change its name from Newton Energy Corporation to "Field Trip Health Ltd."

On October 1, 2020: (i) the Corporation and FTP completed a series of transactions resulting in a reorganization of FTP and the Corporation and pursuant to which the Corporation became the direct parent and sole shareholder of FTP; (ii) the Corporation changed its year end from December 31 to March 31; and (iii) the Corporation was continued under the *Canada Business Corporations Act* (the "**Continuance**") by Certificate and Articles of Continuance ((i) – (iii) collectively referred to as the "**Transaction**").

In connection with the Continuance, the Corporation adopted new by-laws which included an advance notice provision, which stipulates the requirement to provide advance notice to the Corporation in circumstances where nominations of persons for election to the Board are made by the Corporation shareholders other than pursuant to: (i)

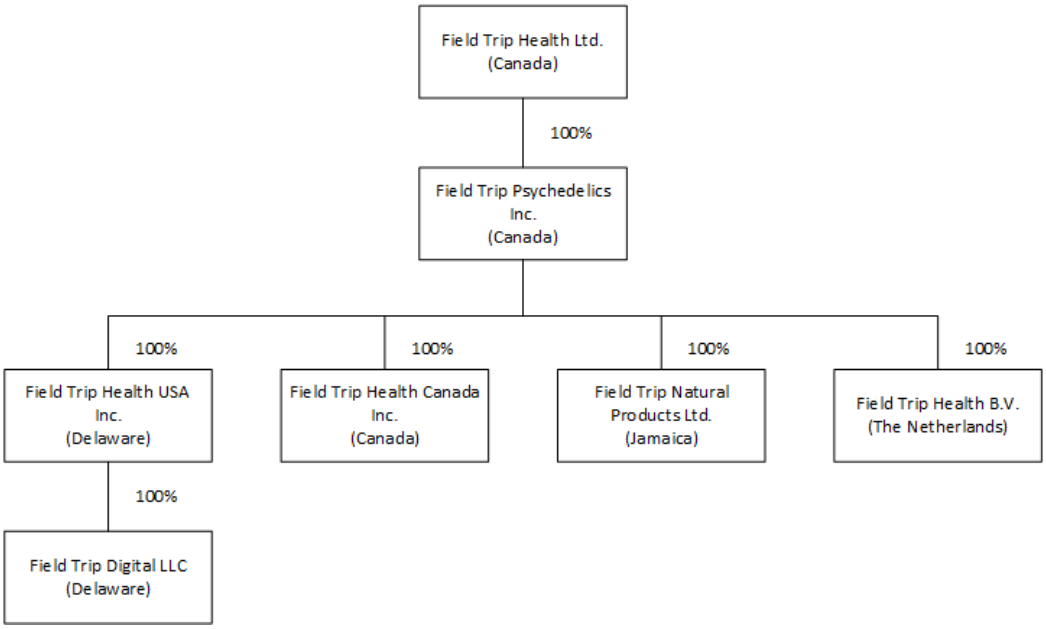
a requisition of a meeting made pursuant to the provisions of the *Canada Business Corporations Act*; or (ii) a shareholder proposal made pursuant to the provisions of the *Canada Business Corporations Act*. Corporation shareholders approved and ratified the advance notice provision on September 23, 2020.

The Transaction constituted a reverse takeover of the Corporation by FTP under applicable securities laws.

The Common Shares were listed on the NEX board of the TSXV until September 30, 2020, when they were delisted from the TSXV in connection with the completion of the Transaction. The Common Shares commenced trading on the CSE on October 6, 2020, under the symbol "FTRP". The Warrants commenced trading on the CSE on January 5, 2021, under the symbol "FTRP.WT".

The Corporation's registered office and head office is located at 30 Duncan Street, Suite 401, Toronto, ON M5V 2C3.

The following table describes the subsidiaries of the Corporation, their place of incorporation, continuance or formation, and the percentage of the outstanding voting securities of each subsidiary that are beneficially owned, controlled or directed by the Corporation:



For more information regarding the Transaction, refer to the Circular and AIF.

Board of Directors & Management of Subsidiaries

The board of directors of Field Trip Psychedelics Inc. mirrors that of the Corporation, being Joseph del Moral, Ronan Levy, Mujeeb Jafferi, Hannan Fleiman, Ryan Yermus, Helen Boudreau and Dieter Weinand. The board of directors of Field Trip Health Canada Inc. and Field Trip Health USA Inc. ("**Field Trip USA**") consists of Joseph del Moral, Ronan Levy and Hannan Fleiman. The board of directors of Field Trip Natural Products Ltd. consists of Ronan Levy, Mujeeb Jafferi, Ryan Yermus and Darwin Inc. The board of directors of Field Trip Health B.V. consists of Onur Yildirim (an employee of Field Trip Health B.V.) and Intertrust (Netherlands) B.V. ("**Intertrust**"). Intertrust is a "Trust Office" regulated pursuant the Dutch Act of Supervisory Trust Offices of 2018 (Wet toezicht trustkantoren 2018), which provides corporate services, such as directorship, administration, payroll and corporate secretarial services to Field Trip Health B.V. Field Trip Digital LLC, does not have a board of directors or management as it is managed by its sole member, Field Trip USA.

The officers of Field Trip USA are Mujeeb Jafferi, Ryan Yermus and Paula Amy Hewitt, and the sole officer of Field Trip Health Canada Inc. is Mujeeb Jafferi. Local operations of Field Trip Health B.V. are managed by Onur Yildirim (an employee of Field Trip Health B.V.) and local operations of Field Trip Natural Products Ltd. are managed by Mark Ho-Tai, the principal of Darwin Inc.

Summary Description of the Business

Since the completion of the Transaction, the Corporation has adopted the business carried on by FTP. The Corporation's business is premised on a growing body of research that psychedelics can be a new way to treat a myriad of mental health conditions, including depression and addiction. Through the Corporation's existing clinics located in Toronto, Ontario, New York, New York, Santa Monica, California, Chicago, Illinois, and Atlanta, Georgia and its contemplated expansion of physical clinic locations in other jurisdictions, including Houston, Texas, San Diego, California, Washington, DC, Seattle, Washington, the State of Oregon and Amsterdam, Netherlands (collectively, the "**Clinics**" or "**Field Trip Health Centres**"), the Corporation seeks to create a global brand of trusted clinics for ketamine-enhanced psychotherapy ("**KAP**"), psychedelic-enhanced psychotherapy and psychedelic-integration psychotherapy, enabling patients to more effectively and affordably address depression, anxiety, addiction and other conditions. Currently, and in accordance with applicable laws, ketamine is the only substance used by patients of the Clinics who have a valid prescription for such medication prescribed by the appropriate medical professional in the jurisdiction where the Clinic operates.

The Corporation is also focused on research and development, through its Field Trip Discovery business segment ("**FT Discovery**"), of psychedelic-inspired regulated medicines. FT Discovery has two independent activities: (i) developing custom synthetic molecules targeting serotonin 5HT2A receptors, which are, in part, implicated in mood disorders; and (ii) conducting research and development related to the cultivation of, as well as the identification and isolation of new substances contained in, psilocybin mushrooms and other related fungi (the "**Psilocybin Research**"), in collaboration with the University of West Indies at Mona, Jamaica ("**UWI**"), pursuant to a research agreement with UWI (the "**UWI Agreement**"). To facilitate the Psilocybin Research, the Corporation has established a 2,072 square foot, purpose-built research and development laboratory for psychedelic fungi on the UWI campus (the "**Jamaica Facility**"). The aim of the Jamaica Facility is to seek to optimize cultivation techniques and operating procedures for psilocybin-producing fungi and develop analytical tools and techniques to support the safe use of domesticated species in psychedelic therapy in legal jurisdictions (states or countries), as markets for psilocybin producing fungi continue to emerge. The Jamaica Facility was fully-operational as of February 9, 2021.

FT Discovery anticipates that insights and experience relating to the administration of psychedelics and psychedelic-assisted psychotherapy within the Clinics may be applied in the development strategies of novel drug products innovated within FT Discovery. FT Discovery is developing a molecule called FT-104 ("**FT-104**") for which a provisional patent has been filed with the United States Patent and Trademark Office ("**USPTO**") (Appl 63,045,901; June 30, 2020), with claims that include FT-104 structures and uses. Experimental evidence has been achieved and continues to be a focus of efforts in order to further support the concepts within the invention. The Corporation intends to file a utility patent with the USPTO and under the Patent Cooperation Treaty, which facilitates filing for patent recognition in multiple jurisdictions simultaneously using a single uniform patent application. FT-104 is currently in the pre-clinical development stage. No assurances can be given that Field Trip will be able to meet its development timelines disclosed in the *Milestones* section, or that FT-104 will be a viable therapeutic product.

The Corporation is operated by an executive leadership team that has significant experience in the medical clinic industry and a robust operational and acquisition track record in areas related to all aspects of the Corporation's operations. The leadership team is executing the Corporation’s business plan to rapidly scale its business.

The Corporation plans to leverage the success of the Clinics to expand into other markets in other jurisdictions, while focusing on compliance, control, efficiency and performance in the medical clinic industry. The Clinics also support the Corporation's strategy of brand development and enable the Corporation to capture market share, generate brand awareness and earn patient loyalty in its operating markets.

More detailed information regarding the business of the Corporation, as well as its operations, assets and properties, can be found in the AIF and other documents incorporated by reference herein, as supplemented by the disclosure herein. See "*Documents Incorporated by Reference*" and "*Recent Developments*".

RECENT DEVELOPMENTS

On February 9, 2021, the Corporation announced the official opening of the Jamaica Facility. The Jamaica Facility is the world's first legal research and cultivation facility dedicated exclusively to psilocybin-producing mushrooms and other plant-based psychedelics. The work at the Jamaica Facility will leverage the research and development efforts that have been conducted by Field Trip at a temporary facility at UWI since January 2020, and will include genetics, breeding and cultivation studies on many of the more than 180 recorded species of psilocybin-producing mushrooms; and developing analytical methods for quality control, identification of novel molecules, as well as extractions and formulations for drug development purposes. Research at the Jamaica Facility will be led by Dr. Rupika Delgoda, Professor of Biochemical Pharmacology & Pharmacognosy and Director of the Natural Products Institute at UWI, who holds a Doctor of Philosophy from Oxford University (UK) in Pharmacology.

On January 28, 2021, the Corporation announced that the Common Shares had been approved for and commenced trading on the OTCQX® Best Market ("**OTCQX**") under the symbol FTRPF. The OTCQX Best Market is for established, investor-focused, U.S. and international companies. To qualify for the OTCQX market, companies must meet high financial standards, follow best practice corporate governance, demonstrate compliance with U.S. securities laws, be current in their disclosure and have a professional third-party sponsor.

On January 26, 2021, the Corporation announced the opening of its fifth location in the United States in the city of Atlanta, Georgia and located in the Glenwood Park neighborhood. The clinic utilizes Field Trip's step-by-step, integrated treatment programs, in which patients are medically supervised and utilize ketamine (a legal, dissociative psychedelic molecule) in conjunction with psychotherapy, mindfulness, and self-care in a comfortable, spa-like environment to support those struggling with depression and other mental health challenges.

On January 7, 2021, the Corporation announced that, subject to the completion of a final site inspection, it had been selected as a trial location for a study sponsored by MAPS Public Benefit Corporation on the safety, feasibility and preliminary outcomes of MDMA-assisted therapy to treat eating disorders, including anorexia nervosa.

On January 5, 2021, the Corporation announced that it closed its previously announced bought deal short form prospectus offering, including the exercise in full of the underwriters' over-allotment option (the "**January Public Offering**"). In connection with the January Public Offering, the Corporation issued 4,448,200 units of the Corporation (the "**Units**"), each Unit being comprised of one Common Share and one-half of one Common Share purchase warrant (the "**Warrants**") at a price of CAD$4.50 per Unit, for aggregate gross proceeds of $20,016,900. In connection with the January Public Offering, the Corporation issued the underwriters an aggregate of 154,651 warrants ("**January Compensation Warrants**"). Each January Compensation Warrant is exercisable to purchase one Common Share at the $4.50 per Common Share, subject to customary adjustment, for a period of twenty-four (24) months following the closing of the January Public Offering

Non-Revenue Generating Projects

The Corporation currently has four significant projects, which have not yet generated revenue:

a. FT-104 drug development program;

b. psilocybin-producing fungi research and cultivation at its Jamaica Facility;

c. the opening of clinics in Amsterdam, Houston, San Diego, Washington, DC and Seattle, and explorations into Oregon; and

d. the development of its digital tools, being the "Trip" digital application and "Portal" digital platform.

FT-104

FT-104 is the first novel drug candidate in development by the Corporation. FT-104 is a next generation, synthetic psychedelic molecule which has a design that is, in part, based on classical serotonin 5-HT2A receptor

targeting psychedelics. Patents are pending on FT-104's structure, formulation and use in treating a variety of central nervous system disorders.

Preliminary preclinical experimental results have demonstrated that FT-104 is similar in potency to psilocybin, but may provide a significantly shorter duration of psychedelic experience relative to psilocybin (in the range of two to four hours, which is approximately half the duration of psilocybin), making it a more convenient and potentially preferable option for psychedelic enhanced therapy.

FT-104 is concurrently undergoing optimization and current Good Manufacturing Practices ("**cGMP**") scale-up, as well as pre-clinical evaluation, both of which are expected to be substantially completed by September 2021. The Corporation anticipates that FT-104 will enter into Phase 1 clinical trials in the second half of calendar year 2021, but there is no assurance that this timeline will be met or that FT-104 will advance to clinical trials, at all.

As at December 31, 2020, the Corporation has spent approximately $885,000 in the development of FT-104. See *"Use of Proceeds"* for details on anticipated future spending.

Psilocybin Research

Since January 2020, the Corporation has successfully cultivated 24 varieties (from 13 different species) of psilocybin-producing fungi and truffles. At the Jamaica Facility, the Corporation will endeavour to optimize the cultivation techniques and operating procedures for psilocybin-producing fungi and develop the analytical tools and techniques to ensure the safe use of domesticated species in psychedelic therapy as markets for psilocybin-producing fungi continue to emerge in different jurisdictions. The Corporation anticipates utilizing such techniques and operating procedures at its clinic location in Amsterdam and in other jurisdictions provided that an appropriate legal and regulatory framework is in place and if the Corporation determines that it is beneficial operate in such jurisdiction(s). In addition, the Corporation will seek to identify and quantify total tryptamine content, including psilocybin and other tryptamine analogues that may play a role in the psychedelic experience, and use this knowledge to optimize production of reproducible and well-characterized psychedelic botanical medicines. Further, any new substances identified during these efforts may lead to promising new candidates for drug development.

As at December 31, 2020, the Corporation has spent approximately $1,200,000 on the Psilocybin Research, including the costs related to construction of the Jamaica Facility. See *"Use of Proceeds"* for details on anticipated future spending.

Clinics Expansion

In October 2020, Field Trip completed construction at its Chicago location, which became operational in December 2020. In January 2021, the Corporation opened its Atlanta clinic. During the third fiscal quarter, the Corporation began construction of its clinic in Amsterdam, Netherlands, which will provide programs utilizing legal truffles containing psilocybin, as well as Houston, Texas. The Corporation has also entered into a lease for a proposed clinic in San Diego, California. The chart below sets out the status and target opening date of each location:

Location	Size (Sq. Ft.)	Gross Monthly Rent[(1)]	Expiry Date	Status	Target Opening Date
Amsterdam	7,158	€15,658	Oct 30, 2026	Construction in progress	April, 2021
Houston	4,600	US$18,783	June 30, 2026	Construction in progress	April, 2021
San Diego	3,868	US$15,279	Dec 31, 2031	Construction in progress	To be determined
Washington	3,000	US$6,250[(1)]	June 1, 2031	Finalizing Lease	To be determined
Seattle	4292	US$14,306.67[(2)]	Dec 31, 2028	Negotiating Lease	To be determined

Notes:

(1) Monthly rent will increase to US$6,406 in the 8th month of the term and US$12,812 in the 21st month. Operating expenses are in addition and progressively increase from US$12,500 to US$16,000 per month over the term of the lease.

(2) Excludes operating costs, which are under negotiation.

The Houston, Texas clinic is located at Suite 4310 Westheimer Road, Suite 220 in Houston's River Oaks neighborhood and will offer seven treatment rooms and a large group therapy room. The San Diego clinic is located at 8950 Villa La Jolla Drive, Suite C227 La Jolla, California and will offer 8 treatment rooms. The locations in Washington and Seattle have yet to be designed.

The Corporation intends to open an additional 10 clinics by December 2021.

Digital Tools: "Trip" App and "Portal"

During the third fiscal quarter, the Corporation launched "Portal", along with an updated version of its mobile software application "Trip".

"Portal" is a proprietary digital tool designed to complement its in-person therapeutic experience with on-going support and education to help sustain the effects of Ketamine-Enhanced Psychotherapy. "Portal" provides mood monitoring and mindfulness tools, personalized and general content, information, meditations and synchronous and asynchronous communication tools for people in its psychedelic therapies and programs.

"Trip" is a mobile software application available for both iOS and Android that provides users with a framework and tools to make the most of self-directed consciousness-expanding activities. The application features mood tracking, personalized music, trip record keeping, guided journaling, voice recording, and mindfulness content. The Corporation's "Trip" app user base grew by 144% from the second fiscal quarter.

As at December 31, 2020, the Corporation had intangible assets in progress of $83,000 with respect to the "Trip" app and $76,000 with respect to "Portal". See *"Use of Proceeds"* for details on anticipated future spending.

REGULATORY OVERVIEW

Clinic Operations

The Canadian and United States federal governments regulate drugs through the *Controlled Drugs and Substances Act* (Canada) (the "**CDSA**") and the *Controlled Substances Act* (21 U.S.C. § 811) (the "**CSA**"), respectively, which place controlled substances in a schedule. Under the CDSA, ketamine is currently a Schedule I drug and psilocybin is currently a Schedule III drug. Under the CSA, ketamine is currently a Schedule III drug as well as being listed under the associated Narcotic Control Regulations, and psilocybin is currently a Schedule I drug.

In the United States, facilities holding or administering controlled substances must be registered with the US Drug Enforcement Agency ("**DEA**") to perform this activity. As such, medical professionals or the clinics in which they operate, as applicable, are also required to have a DEA license to obtain and administer ketamine (a "**DEA License**"). To the Corporation's knowledge, the Clinics in the United States and the required medical professions hold all required DEA Licenses. Furthermore, the Clinics have in place security, control, recordkeeping, reporting and inventory mechanisms required by the DEA to prevent drug loss and diversion. Staff at Clinics in the United States, including the medical doctors and/or the nurse practitioner(s), advanced practice registered nurse(s) or other medical professionals who report to them, hold the required DEA Licenses and the Corporation has put in place policies designed to adhere to DEA requirements.

Health Canada and the United States Food and Drug Administration (the "**FDA**") have not approved psilocybin as a drug for any indication, however ketamine is a legally permissible medication for the treatment of certain psychological conditions. It is illegal to possess such substances without a prescription. On August 4, 2020, it was announced that a legal exemption from the CDSA was granted to four Canadians with incurable cancer, allowing them to receive psilocybin therapy to treat their anxiety as part of end-of-life care. Health Minister Patty Hajdu approved the request under Section 56(1) of the CDSA, which permits the Health Minister to exempt persons or controlled substances, if "the exemption is necessary for a medical or scientific purpose or is otherwise in the public interest".

In both Canada and the United States, the applicable federal government is responsible for regulating, among other things, the approval, import, sale and marketing of drugs such as ketamine and other psychedelic substances, whether natural or novel. **The Corporation does not directly engage in any activities that would trigger the need to comply with any federal laws related to ketamine and other psychedelic substances. See "*Regulatory Overview – Research and Development Operations*".**

Under the Corporation's business model, there are no state-specific licenses required to (a) operate a mental health clinic prescribing and/or administering ketamine, (b) that apply to the storage and/or administration of ketamine, other than those which mirror the CDSA requirements, and (c) operate or provide management services to the Clinics, other than standard business licenses for out-of-state companies which Field Trip USA has obtained in connection with the set up of these locations.

Each province and territory of Canada and each state in the United States mandates the requirements for the Clinics and the conduct of medical professionals therein. **While the treatments that occur at the Clinics are novel in some respects, the prescription of ketamine and the dispensing of ketamine are not novel and are subject to the same restrictions as would apply to any medical professional who prescribes other controlled substances to its patients. There are no special licenses, permits, authorizations or approvals required that are different from any other ordinary course approvals required by applicable governmental authorities for any medical clinic.**

The Clinics may utilize, in addition to physicians, mid-level practitioners such as physician assistants and nurse practitioners and mental health practitioners such as psychologists and psychotherapists. The exact make-up of the staff for each Clinic varies by location and additional professionals and/or administrative staff may also be employed.

The Ontario government has authority over the delivery of health care services, including regulating health facilities, administering health insurance plans, such as the Ontario Health Insurance Plan, distributing prescription drugs within the province, and regulating health professionals such as doctors, psychologists, psychotherapists and nurse practitioners. The table below includes a summary of the laws applicable to the Corporation's business that it operates in Ontario, Canada.

Although it is the Corporation's intention, through Field Trip Heath B.V., to administer psilocybin-containing truffles as a food product in the Netherlands, the Corporation intends to employ medical professionals in its Amsterdam Field Trip Health Centre. The table below includes a summary of the laws applicable to the Corporation's business that it proposes to operate in the Netherlands.

In the United States, the laws applicable to the Clinics and the conduct of medical professionals therein are at the state level and vary by jurisdiction. The table below includes a summary of the laws applicable to the Corporation's business that it operates or is proposed to operate in the states of New York, California, Illinois, Georgia, Texas, Washington and the District of Columbia. In each such State, the Corporation plans to offer KAP, psychotherapy and ancillary mental health services.

As of the date hereof, to the best of the Corporation's knowledge, each of the medical professionals working at the Clinics are in good standing with the applicable regulatory body that governs such medical professional.

Province / State	Medical Professional	Governing Law	Regulatory Bodies
Ontario[1]	Medical Doctors	*Regulated Health Professions Act, 1991* (Ontario) ("RPHA"), *Medicine Act, 1991* (Ontario)	College of Physicians and Surgeons of Ontario ("**CPSO**")
	Psychologists	RPHA, *Psychology Act, 1991* (Ontario)	College of Psychologists of Ontario ("**CPO**")
	Nurses[3]	RPHA, *Nursing Act, 1991* (Ontario)	College of Nurses of Ontario ("**CNO**")
	Psychotherapists	RPHA, *Psychotherapy Act, 2007* (Ontario)	College of Registered Psychotherapists of Ontario, CPSO, CPO, CNO, College of Occupational Therapists of Ontario, or Ontario College of Social Workers and Social Service Workers
	Respiratory therapist	*Respiratory Therapy Act, 1991* (Ontario)	College of Respiratory Therapists of Ontario

New York	Medical Doctors	State of New York are New York Education Law §§ 6500 – 6516 and 6520 – 6532 and 8 New York Codes, Rules and Regulations ("**NYCRR**")	New York State Education Department, Office of the Professions, State Board for Medicine ("**NY Medical Board**")
	Psychologists	New York Education Law ("**NYEL**") §§ 7600 and 8 NY CRR §§ 72.1	New York State Education Department, Office of the Professions ("**NYOP**"), State Board for Psychology
	Psychotherapists	NYEL §§ 8400, 8 NY CRR § 52.35 and 8 NY CRR §§ 79.12.	NYOP, State Board for Mental Health Practitioners
	Nurses	NYEL §§ 6900 and additional regulations that apply only to nurses at NYCRR §§ 64.1.	NYOP, State Board for Nursing
California	Medical Doctors	Business and Professions Code, §2190.5 ("CA BPC")	Medical Board of California
	Psychologists	CA BPC	California Board of Psychology
	Licensed Professional Clinical Counselor	CA BPC	California Board of Behavioural Science
	Nurses	CA BPC	Board of Registered Nursing
Illinois	Medical Doctors	Medical Practice Act (225 ILCS 60/2)	Illinois Department of Financial and Professional Regulation ("**IDFPR**")
	Psychologists	Nurse Practice Act (225 ILCS 65/)	IDFPR
	Professional Counselors and Clinical Professional Counselors	Professional Counselor and Clinical Professional Counselor Licensing and Practice Act (225 ILCS 107/1)	IDFPR
	Nurses	Clinical Psychologist Licensing Act (225 ILCS 15/)	IDFPR
Georgia	Medical Doctors	Medical Practice Act, Official Code of Georgia ("OCGA") §§43-34 and 34A	Georgia Composite Medical Board ("GA Medical Board")
	Psychologists	OCGA Title 43, Chapter 39	Georgia State Board of Examiners of Psychologists
	Professional Counselors	OCGA Title 43, Chapters 7A and 10A	Georgia Composite Board of Professional Counselors, Social Workers and Marriage and Family Therapists
	Nurses	Nurse Practice Act, OCGA § 43-26	Georgia State Board of Nursing
Texas	Medical Doctors	Texas Occupations Code Chapter 155 and 22 TAC Chapter 163	Texas Medical Board
	Psychologists	Texas Occupations Code Chapter 501	Texas Behavioral Health Executive Council ("**TBHEC**")
	Professional Counselor	Texas Occupations Code Chapter 503	TBHEC
	Nurses	Texas Occupations Code Chapter 301	Texas Board of Nursing
Netherlands[(2)]	Medical Doctors	Individual Healthcare Act (Wet op de Beroepen in de Individuele Gezondheidszor, "**BIG**"), and if other care is provided, the Healthcare Quality, Complaints and Disputes Act (Wet kwaliteit, klachten en geschillen zorg, "**WKKGZ**")	Ministry of Health, Welfare and Sport (Ministerie van Volksgezondheid, Welzijn en Sport, "VWS"), the Inspectorate for Heath and Youth Care (Inspectie gezondheidszorg en jeugd ("**IGJ**") and the Royal Dutch Medical Association (Koninklijke Nederlandsche Maatschappij tot bevordering der Geneeskunst)
	Health Psychologists	BIG, and if other care is provided, WKKGZ	VWS, IGJ and the Federation of Healthcare psychologists (Federatie van Gezondheidzorgpsychologen en Psychotherapeuten, "**FGZPT**")
	Psychotherapists	BIG, and if other care is provided, WKKGZ	VWS, IGJ and FGZPT
	Certified Nurse Specialist	BIG, and if other care is provided, WKKGZ	VWS, Registration Commission for Nurse Specialists (Registratiecommissie Specialismen Verpleegkunde)
District of Columbia	Medical Doctors	District of Columbia Official Code Title 3 Chapter 12 subchapters 1-5; Code of D.C. Municipal Regulations Title 17 Chapter 46	The DC Board of Medicine
	Psychologists	District of Columbia Official Code Title 3 Chapter 12 subchapters 1-5; Code of D.C. Municipal Regulations Title 17 Chapter 69	The DC Board of Psychology
	Professional Counselors	District of Columbia Official Code Title 3 Chapter 12 subchapter 7A; Code of D.C. Municipal Regulations Title 17 Chapter 66	The DC Board of Professional Counseling

	Nurses	The Nurse Practice Act District of Columbia Official Code Title 3 Chapter 12; Code of D.C. Municipal Regulations Title 17 Chapters 54 - 60	The DC Board of Nursing
Washington State	Medical Doctors	Wash. Rev. Code Ann. §§ 18.71.002, et seq.; 18.71B.010, et seq.; Wash. Admin. Code §§ 246-919-421, et seq.	Medical Quality Assurance Commission
	Psychologists	Wash. Rev. Code Ann. §§ 18.83.005, et seq.; Wash. Admin. Code §§ 246-924-000, et seq.	Washington Department of Health, Examining Board of Psychology (EBOP)
	Mental Health Counselors	Wash. Rev. Code Ann. §§ 18.225.005, et seq; Wash. Admin. Code §§ 246-809-000, et seq.	Washington Department of Health; Mental Health Counselors, Marriage and Family Therapist and Social Worker Advisory Committee
	Nurses	Wash. Rev. Code Ann. §§ 18.79.010, et seq.; Wash. Admin. Code §§ 246-840-000, et seq.	Washington Department of Health, Nursing Care Quality Assurance Commission

Notes:

(1) Represents the regulatory oversight of professionals working in the Corporation's Field Trip Health Centre in Toronto, Ontario, which may vary according to staffing from time to time

(2) Represents the regulatory oversight of professionals who may be engaged in the Corporation's Field Trip Health Centre in Amsterdam, Netherlands, which may vary according to staffing from time to time

(3) In this table, the term "nurses" includes nurse practitioners, advanced practice nurses, registered nurse practitioners and other similar enhanced licenses for those in the nursing profession

Some U.S. States have legislation or policies relating to the "Corporate Practice of Medicine" doctrine ("**CPOM**") that govern business relationships between licensed medical professionals and unlicensed individuals or companies. The following states have CPOM legislation: New York, California, Illinois, and Texas. The States of Georgia and Washington do not have specific CPOM legislation, but case law may have established or invoked CPOM doctrine in those states. In order to comply with CPOM, Clinics in these states are owned solely by State-licensed physicians and are organized as physician practices. In such states, Field Trip USA will provide management services to the physician practices that own such clinics. The relationship between Field Trip USA and the physician practices that it manages are subject to various standards of CPOM, anti-kick back and fee-splitting rules.

The District of Columbia does not have a CPOM statute nor is there clear judicial consideration of CPOM within the district. However, the Field Trip Health Centre in the District of Columbia will be organized as a Professional Corporation.

The Corporation's business is also governed by laws in Canada, the United States and the Netherlands pertaining to handling, use and protection of personal health information, including the *Personal Health Information Protection Act* (Ontario), The *Health Insurance Portability and Accountability Act of 1996*, the Netherlands *Personal Data Protection Act* (Wet Bescherming persoonsgegevens) and similar provincial or state laws. These laws and related regulations grant a number of rights to individuals as to their personal health information and restrict the use and disclosure of such information. The Corporation has in place privacy practices designed to comply with these requirements and ensures that service providers having access to personal health information have entered into agreements that include appropriate protective clauses, including business associate agreements where applicable.

To the best of the Corporation's knowledge, no medical professionals at the Clinics receive commissions, incentives or other fees, directly or indirectly.

The Dutch Opium Act (Opiumwet) ("**Opium Act**") regulates and controls (the use of) various sorts of addictive drugs in the Netherlands, which substances are specified in two lists (List I and List II) accompanying the Opium Act ("**Dutch Controlled Substances**"), as well as preparations containing one or more of these Dutch Controlled Substances. The Dutch legislation stipulates that it is in principle not allowed to import or export the Dutch Controlled Substances included in the Opium Act Lists I and II, nor to grow, prepare, process, sell, deliver, supply, transport, have present, produce or promote these Dutch Controlled Substances in the Netherlands.

The Dutch Supreme Court (the highest court in the Netherlands) stated that, insofar as preparations of Dutch Controlled Substances are included in the Opium Act Lists I and II but the plants/fungi or part of the plants/fungi within which those substances occur naturally are not included, the prohibitions of the Opium Act do not relate to those unlisted plants (and parts thereof). The substance psilocybin qualifies as a Controlled Substance included in the

Opium Act List I. Since 2008, all mushrooms from which it is known that they contain psilocybin are prohibited under the Opium Act List II. Truffles, which are a modified form of mycelium and are not considered mushrooms, containing psilocybin are not currently included in the Opium Act List I or II. Therefore, as of the date of this Prospectus, truffles containing psilocybin do not qualify as a Controlled Substance restricted under the Opium Act. In light of the above and based on advice of counsel in the Netherlands, the Opium Act does not prohibit the presence and/or use of fresh, unprocessed truffles with psilocybin. The truffles with psilocybin may not be subject in any way or form to any further processing (that results in the truffles becoming a preparation prohibited under the Opium Act).

In the Netherlands, truffles containing psilocybin are not registered as a medicinal product and the Corporation will not present or advertise the truffles as medicinal product or otherwise as having therapeutic or preservative properties and thus the Corporation will not be providing medical care in the Netherlands.

In the event that the Dutch authorities take the position that therapy with truffles qualifies as "other care" (alternative therapy) or "regular care", or that truffles containing psilocybin qualify as medicinal product, the Corporation would then need to take steps to comply with local laws applicable to a health care provider. Should this event occur, the Corporation will evaluate its options in the Netherlands to ensure full compliance with all applicable legislation and regulations.

So long as the truffles do not qualify as medicinal product and the treatment with truffles is not publicly funded, it is likely that the Corporation would not fall within the scope of the collective labour agreement for the mental health care sector (collectieve arbeidsovereenkomst geestelijke gezondheidszorg) in the Netherlands.

On November 3, 2020, the State of Oregon, via Measure 109, became the first state to legalize psychedelic mushrooms for therapeutic use in supervised environments. Measure 109 is expected to allow people in the state who are age 21 or older to access psychedelic mushrooms for personal development upon passing a screening conducted by a qualified therapist. People who use the drug are expected to be able to do so at a psilocybin service centre, with the supervision of a designated service facilitator. Oregon expects to have a two-year planning period in which lawmakers will determine how the drug will be regulated, including qualifications for therapists intending to prescribe psychedelic mushrooms and for psilocybin facilitators. The program is expected to be regulated by the Oregon Health Authority.

In addition, since the passage of Measure 109, legislation in respect of psilocybin or psychedelics has been proposed in each of Florida, California, Hawaii and Connecticut drawing on elements of the Oregon ballot measure. In Florida, The *Florida Psilocybin Mental Health Care Act,* if approved, will create state-sponsored clinics where patients suffering from mental-health disorders could be administered doses of psilocybin by a licensed medical professional. The patient would go through the experience, or "trip," with the professional present and then be offered a post-treatment counseling session. In Hawaii, Senate Bill 738, if approved, will establish treatment centers designated by the Hawaii Department of Health for the monitored, therapeutic administration of psilocybin and psilocin to treat mental illness. In California, Senate Bill 519, if approved, would decriminalize the personal use of psychedelic drugs including psilocybin mushrooms, MDMA[1], LSD[2], ketamine, DMT[3], mescaline and ibogaine for all Californians over the age of 21. In Connecticut, House Bill 6296, if approved, will establish a task force to study the health benefits of psilocybin.

In Canada, the Minister of Health has proposed amendments to the CDSA and Food and Drug Regulations that would enable psilocybin and MDMA to be included in the Special Access Program ("**SAP**"). As a result of these amendments, restricted drugs such as psilocybin and MDMA will be treated in the same manner as all other controlled substances when considered under the SAP, that is: practitioners can request these drugs for patients with serious or life-threatening conditions where other therapies have failed, are determined to be unsuitable, or are not available in Canada.

The Corporation expects that legislation of similar natures may be introduced in other jurisdictions in the coming years, as well as additional ballot measures similar to Measure 109. The Corporation cannot comment on the

1 Being, the chemical compound 3,4-Methylenedioxymethamphetamine.
2 Being, lysergic acid diethylamide.
3 Being, the chemical compound N,N-Dimethyltryptamine.

regulatory framework in any such jurisdiction as it has not been created. The Corporation will assess its options to conduct legal business in such jurisdictions when State or Provincial, as applicable, and Federal regulations are established and may seek any required licenses or approvals at that time. See "*Risk Factors*".

Natural Products Operations

Through consultation with local resources and personnel with relevant knowledge and experience, as necessary, in Jamaica, the Corporation is satisfied that all necessary licenses, permits and regulatory approvals have been obtained in order to carry on the business as currently conducted and that such licenses, permits and regulatory approvals that have been obtained are in good standing.

The Psilocybin Research is not in contravention of local laws in Jamaica and the Corporation has received a legal opinion from local counsel confirming the same with respect to the Psilocybin Research. Psilocybin mushrooms are not an illegal drug under Jamaica's *Dangerous Drugs Act, 1948* (the "**Jamaica Drug Act**"), therefore the Psilocybin Research is not in contravention of the laws of Jamaica and does not require any permit or authorization from the regulatory authorities in Jamaica. In addition, the Minister of Health & Wellness of Jamaica has delivered a letter to the Corporation stating his support for the Corporation's operations in Jamaica.

As psilocybin is not included in the Jamaica Drug Act, it is not a controlled or restricted substance in Jamaica and therefore no other specific controls, permits, licenses or authorizations are required to conduct research on psilocybin. The Psilocybin Research conducted at the Jamaica Facility is governed by the Jamaica Ministry of Health ("**JMH**"), Ethics and Medico-Legal Affairs Panel and by the JMH Standards and Regulation Division, as would any other research conducted in a clinical setting. In addition to Good Laboratory Practices ("**GLP**") and cGMP, research involving human subjects is governed by the JMH Guidelines for the Conduct of Research on Human Subjects. Furthermore, medicines, including natural products, require registration with the JMH prior to importation, distribution and sale in Jamaica, as outlined in the *Food and Drugs Act, 1964*.

The Corporation has received legal opinions or advice in each jurisdiction where it currently operates or proposes to operate (other than Oregon, where the applicable legislation has not yet been created), confirming the permissibility of the Corporation's operations in such jurisdictions.

Research and Development Operations

As the Corporation's business spans different operational models, the Corporation relies on a variety of researchers, medical professionals, suppliers, manufacturers and other service providers for the conduct of its operations. The Corporation's research and development activities rely on the following relationships with three third parties: (1) the UWI Agreement in respect of the Psilocybin Research; (2) engagement by the Corporation of a contract research organization ("**CRO**") regarding FT-104 (the "**CRO Engagement**") and (3) the service agreement with the Corporation's contract manufacturing organization ("**CMO**") in respect of FT-104 (the "**CMO Agreement**" and together with the CRO Engagement, the "**FT-104 Agreements**").

UWI is a globally recognized academic institution. The UWI Agreement was negotiated at arm's length, with legal counsel acting on behalf of the Corporation both in Canada and Jamaica, and includes appropriate intellectual property and confidentiality provisions. Psilocybin research is legal in Jamaica.

With respect to the FT-104 Agreements, Health Canada and the FDA have indicated that FT-104 is not a controlled substance and therefore does not require licenses, permits or specific approvals. Notwithstanding, the CMO is Health Canada approved, FDA registered and compliant with cGMP (a standard applied in the pharmaceutical industry) in the synthesis, process optimization and production of drug substances and has been successfully audited by Health Canada and the FDA.

The CRO is GLP compliant and holds all licenses required for its activities as they relate to the Corporation. Both the CMO and CRO have controlled substance licenses for other known controlled substances and are qualified for handling FT-104, which, for certainty, is not a controlled substance. In addition, the Corporation has entered into appropriately negotiated services agreements or statements of work with the CMO and CRO that contemplate

appropriate intellectual property and confidentiality provisions. In order to develop regulated medicines, including FT-104, the Corporation's process must be conducted in strict compliance with the regulations of Health Canada, the FDA and other applicable federal, state, local and regulatory agencies. Details regarding the process required in Canada and the United States before prescription drug product candidates may be marketed in such jurisdictions is included in the AIF under the headings "*Description of the Business – Research and Development – Canada*" and "*Description of the Business – Research and Development – United States*", respectively, which are incorporated herein by reference.

FT-104 is currently in the pre-clinical stage of development, in which the primary activities are: (1) optimization and standardization of Chemistry-Manufacturing and Controls ("**CMC**"), including additional chemical characterization, synthesis, process optimization, stability, and development of analytical methodology to ensure drug substance quality, (2) excipient compatibility, formulation, stability and analytical methodology to ensure drug product quality and (3) non-clinical (same as preclinical) activities ("**NCA**") that measure performance (pharmacokinetics) and safety (toxicology; pharmacology) using a variety of in-vitro and in-vivo assays. These studies will help to define the expected pharmacologic characteristics of the drug substance contained with the drug product, including determining adequate safety margins to allow for safe testing of the substance in Phase I clinical trials. CMC activities are carried out by the CMO. NCA activities are carried out by the CRO.

The CMO is reliant on third-party suppliers for starting materials to produce FT-104. The Corporation, along with the CMO, only source starting materials, reagents, solvents and supplies required from reputable and approved suppliers who hold the proper authorizations and approvals. Weekly or bi-weekly meetings occur to monitor the activities and advancements of CMO and CRO. It is expected that, at the appropriate time, a third party regulatory group will be engaged to assist with the development of the regulatory strategy and the regulatory documentation that will be required for approval at each stage of the clinical development.

Pharmaceutical Development and Approval Requirements – Canada

Before a prescription drug product candidate may be marketed in Canada, the process required generally involves:

- *Chemical and Biological Research* - Laboratory tests are carried out on cell and/or tissue cultures and animal models to determine the properties of the drug. If the results are promising, the manufacturer will proceed to the next step of development.

- *Pre-Clinical Development* – Laboratory animals are given the drug in varying amounts over differing periods of time. If it can be shown that the drug causes no serious or unexpected harm at the doses required to have an effect, the manufacturer will proceed to clinical trials.

- *Clinical Trials — Phase 1* - The first administration in humans is to test if people can safely tolerate the drug. If this testing is to take place in Canada, the manufacturer must prepare a clinical trial application for the Therapeutic Products Directorate of Health Canada (the "**TPD**"). This includes the results of the first two steps and a proposal for testing in humans. If the information is sufficient, the Health Products and Food Branch of Health Canada (the "**HPFB**") grants permission to start testing the drug, generally first on healthy volunteers.

- *Clinical Trials — Phase 2* - Phase 2 trials are conducted in patients with the target condition, who are usually otherwise healthy, with no other medical condition. Trials carried out in Canada must be approved by the TPD. In Phase 2, the objectives of the trials are to continue to gather information on the safety of the drug and begin to determine its potential effectiveness.

- *Clinical Trials — Phase 3* - If the results from Phase 2 show promising proof of concept for the drug candidate, the manufacturer provides an updated clinical trial application to the TPD for Phase 3 trials. The objectives of Phase 3 include determining whether the drug can be shown to be safe and effective, and have an acceptable side effect profile, in people who better represent the general population. Further information will also be obtained on how the drug should be used, the optimal dosage regimen and the possible significant side effects.

- *New Drug Submission* - If the results from Phase 3 continue to be favourable, the drug manufacturer can submit a new drug submission ("**NDS**") to the TPD. A drug manufacturer can submit an NDS regardless of whether the clinical trials were carried out in Canada. The TPD reviews all the information gathered during the development of the drug and assesses the risks and benefits of the drug. If it is judged that, for a specific patient population and specific conditions of use, the benefits of the drug outweigh the known risks, the HPFB will approve the drug by issuing a notice of compliance.

Pharmaceutical Development and Approval Requirements – United States

Before a prescription drug product candidate may be marketed in the United States, the process required generally involves:

- Completion of extensive nonclinical laboratory tests, animal studies and formulation studies, all performed in accordance with the FDA's *Good Laboratory and Manufacturing Practice* regulations.

- Submission to the FDA of an investigational new drug application, which must become effective before human clinical trials may begin.

- For some products, performance of adequate and well-controlled human clinical trials in accordance with the FDA's regulations, including good clinical practices, to establish the safety and efficacy of the product candidate for each proposed indication.

- Submission to the FDA of a new drug application ("**NDA**").

- FDA review and approval of the NDA prior to any commercial marketing, sale or shipment of the drug.

The operations of the Corporation, as currently conducted, do not require and are not dependent on, any licenses to conduct such operations.

COMPLIANCE PROGRAM

The Corporation oversees and monitors compliance with applicable laws in each jurisdiction in which it operates. In addition to the Corporation's senior executives and the employees responsible for overseeing compliance, the Corporation has local regulatory/compliance counsel engaged in every jurisdiction (provincial, state and local) in which it operates. The principal medical professional at each Clinic serves as the liaison to provincial, state and/or local governmental authorities. The Corporation has developed protocols for use in all of its Clinics with the goal of ensuring that each of the Clinics' operations and employees strictly comply with applicable laws and regulations and that operations do not endanger the health, safety or welfare of the community. Additionally, the Corporation has established a Medical Advisory Board with cross-functional expertise in business, neuroscience, pharmaceuticals, mental health and psychedelics to advise management.

In conjunction with the Corporation's human resources and operations departments, the Corporation oversees and implements training on the Corporation's protocols. The Corporation will continue to work closely with external counsel and other compliance experts, and is evaluating the engagement of one or more independent third party providers to further develop, enhance and improve its compliance and risk management and mitigation processes and procedures in furtherance of continued compliance with the laws of the jurisdictions in which the Corporation operates. The programs currently in place include continued monitoring by executives of the Corporation to ensure that all operations conform to and comply with required laws, regulations and operating procedures. The Corporation further requires that each Clinic and all third parties in which it is engaged with report and disclose all instances of non-compliance, regulatory, administrative, or legal proceedings that may be initiated against them. The Corporation is currently in compliance with the laws and regulations in all jurisdictions and the related licencing framework applicable to its business activities. Additionally, the Corporation has established a Professional Corporation (a "**PC**") Advisory Committee with a mandate to provide strategic advice with respect to the structure of clinics as PCs and the protocols for operations of the PCs.

The Corporation has developed and continues to refine a compliance program designed to ensure operational and regulatory requirements continue to be satisfied. Through its human resources and operations departments, the Corporation oversees and implements training for all employees with respect to the Corporation's protocols.

The Corporation has received legal opinions or advice in each jurisdiction where it currently operates or proposes to operate (other than Oregon, where the applicable legislation has not yet been created), confirming the permissibility of the Corporation's operations in such jurisdictions.

MILESTONES

The final short form prospectus of the Corporation dated December 29, 2020 (the "**December 2020 Prospectus**"), which is available on SEDAR at www.sedar.com, identified certain business milestones of the Corporation, which are re-produced below, excluding those milestones which have since been completed. As of the date hereof, the Corporation has provided the status of these milestones, the actual or revised estimated costs and the revised date of expected completion thereof, if applicable. The following are "forward-looking statements" and as such, there is no guarantee that such milestones will be achieved on the timelines indicated or at all. Forward-looking statements are based on management's current expectations and are subject to a number of risks, uncertainties, and assumptions. See "*Forward-Looking Statements*".

Objective	Milestone Description	December 2020 Prospectus Estimated Cost	Actual/Revised Estimated Cost	Actual/Estimated Timeframe for Completion (based on calendar year)	Status
FT-104 Development Patenting, Phase 1 completed and Phase 2 completed	US utility and PCT patent filings	$100,000	$100,000	Q2 2021	In Progress
	CMC development and pre-clinical studies completed	$2,440,000	$2,440,000	Q2 2021	In Progress
	Phase 1 studies completed	$2,025,000	$2,025,000	Q1 2022	Not Started
	Phase 2 studies completed	Nil.	$9,350,000	Q2 2023	Not Started
75 Operational Clinics	10th clinic operational (i.e. 6 additional clinics)	$1,500,000	$1,500,000	Q2 2021	In Progress
	15th clinic operational	$1,250,000	$1,250,000	Q3 2021	Not Started
	20th operational clinic	$1,250,000	$2,000,000	Q4 2021	Not Started
	30th operational clinic	$2,500,000	$4,000,000	Q2 2022	Not Started
	75th operational clinic	Nil.	$15,500,000	Q4 2024	Not Started
Issuer Technology Platforms	Trip App available in app store	$220,000	$220,000	Q2 2020	Beta version launched. Premium version planned for launch in Q4 2021.
	Patient Portal launched	$220,000	$220,000	Q4 2020	First version launched. Further enhancements planned for launch in Q4 2021.
TOTAL:		**$11,505,000**	**$38,605,000**		

FT-104 is concurrently undergoing optimization of the chemical synthesis to maximize yields and purity of the drug substance, and define methodology and processes amenable to the scale up of synthetic methods and development of analytical methods. As the drug substance methods are finalized, a GMP methodology for manufacture will be implemented with the creation of formal manufacturing processes within a cGMP framework. Drug product formulation will begin in calendar Q1 2021 to develop dosage forms for administration of FT-104.

CMC (chemistry manufacturing and controls) of the drug substance and the drug product, as well as all pre-clinical studies are expected to be completed by September 2021. A global CRO with a specialty in Central Nervous System diseases has been identified who has the capabilities to perform all preclinical and clinical Phase 1 studies. The Corporation anticipates that FT-104 will enter into Phase 1 clinical trials before the end of the calendar year 2021.

The Phase 1 clinical design is anticipated to be performed with healthy male volunteers having prior experience with psychoactive substances. The Phase 1 studies will assess pharmacokinetic parameters and safety in a dose escalation design with analysis of subjective experience of the intensity of the psychedelic experience using standardized questionnaires. The Phase 1 studies will also determine a safe range of doses with FT-104 that can be carried into the second phase of the development. The Corporation expects to spend $2,025,000 to complete Phase 1 studies by calendar Q1 2022, as allocated in the "*Use of Proceeds*" section. The Corporation cannot at this time estimate the cost of bringing FT-104 to market as much of the associated costs depend on the outcomes of the Phase 1 and Phase 2 clinical trials.

Preliminary results of the Corporation's FT-104 molecule experiments demonstrate that: (i) FT-104 is a near equipotent 5HT2A receptor agonist to psilocybin that can be delivered with high bioavailability; and (ii) FT-104 will likely produce a reliably short-duration of psychedelic experience in the range of two to four hours, which is approximately half the duration of psilocybin.

The Corporation is cultivating psilocybin-producing fungi and truffles at its Jamaica Facility. The Jamaica Facility is investigating the cultivation of a variety of psilocybe mushroom varieties that may be used in psychedelic therapy, including the cultivation of species that have not yet been domesticated. The goal of such operations is to develop analytical techniques to characterize active drug substances (tryptamine alkaloids) contained within the mushroom species, mycelia and truffle formations, as a function of cultivating methods. In addition, the Corporation will develop optimized techniques for production of mushrooms to give reproducible yields and quality, as well as the methods needed for safe storage and packaging. The Corporation will also develop safety analysis methods that would be required before eventual use or consumption in therapy. The Corporation expects to spend $1,320,000 over the next 12 months on ongoing psilocybin research, as allocated in the "*Use of Proceeds*" section. The Corporation intends to continue its psilocybin research thereafter in order to further its intellectual property portfolio through the development of optimized cultivation methods, extraction techniques and pursuit of novel molecule discovery.

The Corporation's New York City, Santa Monica, Chicago and Atlanta clinics became operational in August 2020, September 2020, January 2021 and February 2021, respectively. The Corporation has begun clinic construction in Amsterdam, Houston and San Diego. See "*Summary Description of Business - Clinical Expansion*" for target opening dates of these locations. The Corporation expects to spend $1,300,000 to open these clinics, as allocated in the "*Use of Proceeds*" section. Furthermore, the Corporation expects to open an additional 12 clinics by March 2022 and has allocated $4,100,000 to achieve this objective, as outlined in the "*Use of Proceeds*" section.

In October 2020, the Corporation launched its proprietary digital "Portal", along with an updated version of the Corporation's "Trip" mobile software application. The Corporation's "Trip" app's user base grew by 144% increase from the second fiscal quarter. The Corporation anticipates a "Trip" premium version will be released in the second half of calendar 2021, along with further enhancements to "Portal" at a cost of $186,000, as allocated in the "*Use of Proceeds*" section.

The material factors or assumptions used to develop the estimated costs disclosed above are included in the "*Forward-Looking Statements*" section above. The actual amount that the Corporation spends in connection with each of the intended uses of proceeds will depend on a number of factors, including those listed under "*Risk Factors*" in, or incorporated by reference in, this Prospectus or unforeseen events.

USE OF PROCEEDS

The net proceeds to the Corporation from the Offering will be approximately $78,024,062.50, after deducting the Underwriters' Fee of $4,350,937.50, and the estimated fees and expenses of the Offering of $500,000. If the Over-Allotment Option is exercised in full, the estimated net proceeds to the Corporation from the Offering, after deducting the Underwriters' Fee of $5,003,578.13 and the fees and expenses of the Offering estimated to be approximately $500,000, will be approximately $89,802,671.87. The net proceeds from the Offering are expected to be used by the Corporation to: (i) fund the FT-104 program into Phase 2; (ii) fund clinic development strategy through to cash flow positive operations; and (iii) for working capital and general corporate purposes.

As of the closing of the January Public Offering, the Corporation had $29,870,970 in available funds, and following the Offering, and assuming no exercise of the Over-Allotment Option, the Corporation anticipates having $107,895,032.50 in available funds.

The table below sets out the anticipated use of the available funds and any variances to such uses from what was described in the December 2020 Prospectus, excluding objectives that have since been completed. The use of proceeds represents the anticipated costs for the 12-month period of January 1, 2021 to December 31, 2021 and assumes that no additional funds will be raised by the Corporation, other than in connection with the Offering. The current use of proceeds represents the sum total of the unspent amount and additional use of funds. The Corporation notes the below variances do not have a material impact on its ability to achieve its business objectives and milestones.

	A	*B*	*C*	*D=A-B+C*	*E*	*F=D+E*
Use of Available Funds	**December 2020 Prospectus Previous Use of Proceeds (December 1, 2020 to November 30, 2021)**	**Amounts Spent in December, 2020**	**Additional Amounts Allocated in December 2020**	**Current Use of Funds (January 1 to December 31, 2021)**	**Future Use of Funds (January 1, 2022 to December 31, 2023)**	**Total Use of Funds (January 1, 2021 to December 31, 2023)**
FT-104 Drug Development						
US utility and PCT patent filings	$77,000	Nil.	Nil.	$77,000	Nil.	$77,000
CMC development and pre-clinical studies	$2,440,000	$497,196	Nil.	$1,942,804	Nil.	$1,942,804
Phase 1 studies	$2,025,000	Nil.	Nil.	$2,025,000	Nil.	$2,025,000
Phase 2 studies	Nil.	Nil.	Nil.	Nil.	$9,350,000	$9,350,000
Phase 3 studies	Nil.	Nil.	Nil.	Nil.	$23,400,000	$23,400,000
Psilocybin Fungi Research and Cultivation (Jamaica Facility)						
Research and development	$910,000	$138,000	$548,000	$1,320,000	$2,580,000	$3,900,000
Clinic Expansion						
5 additional clinics (Chicago, Amsterdam, Houston, Atlanta, San Diego)	$1,105,263	Nil.	$164,737	$1,270,000	Nil.	$1,270,000
12 additional clinics fiscal 2022	$3,000,000	Nil.	$1,100,000	$4,100,000	Nil.	$4,100,000
47 additional clinics to December 2023	Nil.	Nil.	Nil.	Nil.	$15,500,000	$15,500,000
Other						
Technology platforms (Trip App and Patient Portal)	$186,000	$35,000	Nil.	$151,000	Nil.	$151,000
Transaction costs (legal fees, audit fees, and other expenses)	$450,000	$483,000	Nil.	Nil.	$250,000	$250,000
Total use of funds	**$10,193,263**	**$1,153,196**	**$1,812,737**	**$10,885,804**	**$51,080,000**	**$61,965,804**
Unallocated working capital	**$19,677,707**			**$97,009,228.50**		**$45,929,229**
TOTAL:	**$29,870,970**			**$107,895,032.50**		**$107,895,032.50**

With respect to FT-104 drug development, the Corporation initially planned to commence pre-clinical studies in calendar Q4 2020. The Corporation has secured proposals for the pre-clinical studies commencing in calendar Q1 2021. As a result, the Corporation has shifted forward its use of proceeds, resulting in current use of proceeds of $1,942,804 after CMC development spend of $497,196 in December 2020.

With respect to the Jamaica Facility, additional funds of $548,000 are required for the period January 1 to December 31, 2021. This is due to underspend prior to December 2020, as the official grand opening of the clinic was delayed to February 9, 2021. The Corporation anticipates ongoing research and development costs of $2,580,000 to December 31, 2023.

With respect to clinic expansion, the Corporation allocated an additional $1,264,737 in costs for leasehold improvements in each new clinic, based on revised assumptions relating to the Corporation's most recent lease negotiations, design plans, and actual costs incurred with the opening of the Corporation's clinics to date.

See "*Milestones*" for a discussion on the status and actual or revised costs to complete these milestones.

The development of FT-104 as a potential pharmaceutical agent is at the pre-clinical stage. Drug development is a long, expensive, and uncertain process, involving a high degree of risk. The drug development business depends heavily on the ability to successfully complete clinical development and non-clinical studies of FT-104, and to obtain regulatory approval. Before obtaining regulatory approvals for the commercial sale of any product candidate, the Corporation must demonstrate through non-clinical studies and clinical trials that the product candidate is safe and effective for use in each target indication. See "*Regulatory Overview – Research and Development*" for a discussion on the research and development activities and an overview of the process required for commercial drug development and "*Milestones*" for details on proceeds and anticipated costs to be spent on such development. Due to the early stage of the Corporation's research and development activities, and the highly variable costs and timing associated with more advanced stages of drug development it would be misleading to provide an estimate of the anticipated costs beyond the planned Phase 1 studies. Notwithstanding the lack of certainty of success in Phase 1, the Corporation does anticipate that the offering proceeds could be sufficient to fund all or substantially all of an expected Phase 2 program for FT-104.

The Corporation has negative cash flow from operating activities and has historically incurred net losses. **To the extent that the Corporation has negative operating cash flows in future periods, it may need to deploy a portion of its existing working capital to fund such negative cash flows. See "*Risk Factors*".**

The expected use of net proceeds from the Offering represents the Corporation's current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. The amounts and timing of the actual use of the net proceeds will depend on multiple factors and there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Corporation to achieve its stated business objectives. The Corporation may also require additional funds in order to fulfill its expenditure requirements to meet existing and any new business objectives, and the Corporation expects to either issue additional securities or incur debt to do so. As a result, management will retain broad discretion in the application of the net proceeds, and investors will be relying on management's judgment regarding the application of the net proceeds from the Offering.

The material factors or assumptions used to develop the estimated costs disclosed above are included in the "*Forward-Looking Statements*" section above. The actual amount that the Corporation spends in connection with each of the intended uses of proceeds will depend on a number of factors, including those listed under "*Risk Factors*" in, or incorporated by reference in, this Prospectus or unforeseen events.

LIQUIDITY AND CAPITAL RESOURCES

Since inception, the Corporation has financed its operations primarily from the issuance of equity and, to a lesser degree, from patient revenues from its Clinics and interest income on funds available for investment. Excluding the Offering, the Corporation has raised $32,698,147 in gross proceeds through brokered and non-brokered private placements and the January Public Offering. The Corporation's primary capital needs are funds to advance its research and development activities, clinic rollout and digital teletherapy tools development and for working capital purposes. These activities include staffing, preclinical studies, clinical trials and administrative costs.

The Corporation has experienced operating losses and cash outflows from operations since incorporation, and will require ongoing financing to continue its research and development, clinic rollout and digital tele-therapy development activities. As the Corporation has not yet achieved profitability, there are uncertainties regarding its ability to continue as a going concern. The Corporation has not earned significant revenues from the Clinics, nor has it earned any revenue or reached successful commercialization of any products. The Corporation's success is dependent upon the ability to finance its cash requirements to continue its activities. The Corporation has significant lease obligations related to its current Clinics, newly leases property, construction and office locations. There is

significant risk of defaults on these liabilities and other liabilities of the Corporation if it cannot raise additional funds through the issuance of additional equity securities, through loan financing, or other means.

There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favourable to the Corporation as those previously obtained, or at all. See "*Risk Factors*".

DIVIDEND POLICY

The Corporation intends to retain its earnings, if any, to finance the growth and development of its business and does not expect to pay dividends or to make any other distributions in the near future. The Board will review this policy from time to time having regard to the Corporation's financing requirements, financial condition and other factors considered to be relevant.

INSIDER TRADING POLICY AND CODE OF ETHICS AND BUSINESS CONDUCT

Insider Trading Policy

The Corporation has adopted an insider trading policy to set forth basic guidelines for trading in the Corporation's securities (including, without limitation, its Common Shares) to avoid any situation that might have the potential to damage the Corporation's reputation or which could constitute a violation of federal or provincial securities law by the Corporation, its officers, directors, employees, consultants, affiliates and certain family members of such individuals ("**Insiders**"). Under this policy, Insiders are prohibited from trading in Common Shares and other securities on the basis of such material non-public information until after the information has been disclosed to the public or during a blackout period.

The obligation not to trade on inside information applies not only to the Insiders, but also to persons who obtain such information from Insiders and use it to their advantage. Thus, liability may be imposed upon the Corporation, its Insiders and also outsiders who are the source of leaks of material information not yet disclosed to the public and the leaks coincide with purchases or sales of the Corporation's securities by such insiders, outsiders or by "tippees".

In order to provide a degree of certainty as to when insider trading is permissible, the policy imposes mandatory blackout periods prior to the release of financial results and until two trading days after the time such information has been released to the public: (a) fourteen (14) days for all Insiders, (b) thirty (30) days for reporting Insiders, and (c) commencing on the date that the reporting period ends for all persons involved in preparing the financial results. In addition, no Insider is permitted to trade any securities of the Corporation until two trading days after the issuance of any news release in which material information is conveyed. The Corporation may, from time to time, issue a general blackout period for a specific or indefinite period covering Insiders or specific employees or groups. Affected persons will be advised by memorandum from the chairman when these additional quiet periods are in effect. The Chief Financial Officer will notify affected persons of any blackout period.

The policy also outlines the Corporation’s reporting obligations for changes in Common Shares owned by Insiders as well as the penalties for violating such policy and applicable laws.

Code of Ethics & Business Conduct

The Corporation has adopted a Code of Ethics & Business Conduct (the "**Code**"). The Code sets forth standards designed to reasonably: deter wrongdoing, promote honest and ethical conduct, promote prompt internal reporting of violations of the Code and promote accountability. All personnel are expected to show a duty of loyalty and faithfulness to the Corporation and to take actions to prevent damage to its interests or reputation. All personnel, in discharging their duties, must comply with applicable laws and regulations, the rules of the stock exchange(s) on which the Common Shares are listed as well as the Corporation's internal policies.

The Code sets the expectation that personnel (a) learn about laws, rules and regulations that affect what they do at the Corporation, (b) attend periodic training and seek to keep up on any legal developments, and (c) raise any questions concerning the applicability, existence or interpretation of any law or regulation or conduct with their supervisor or the legal department of the Corporation. The Code prohibits personnel from making or participating in making any payments designed to cause or improperly influence the decisions of an individual, a company or a governmental official to act in a way that gives the Corporation or its personnel an advantage or soliciting, encouraging or actually receiving any bribe or other payment, contribution, gifts or favor that could influence your or another's decision.

The Code encourages personnel to report any actual or suspected fraud to the Chief Financial Officer or via the Corporation's whistleblower portal. In order to avoid participation by personnel of any potential financial crime, personnel are prohibited from accepting or marking cash payments or any kind, accepting payments from entities other than the contractual patient/customer, other than from an insurance provider, in each case without obtaining approval from the legal department. The Code mandates a safe work environment and a no tolerance policy towards harassment and violence in the workplace.

The Code outlines the requirements or personnel as it relates to disclosure of Corporation information, confidentiality and maintaining the integrity of the Corporation's books and records and intellectual property. The Code also establishes a whistleblower program which promotes integrity and deters unethical or illegal behaviour and requires that all personnel report unethical or illegal behaviour, including questionable accounting, internal controls or auditing matters.

DESCRIPTION OF THE SHARE CAPITAL OF THE CORPORATION

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares (the "**Preferred Shares**") issuable in series. The following is a summary of the rights, privileges, restrictions and conditions attached to the Common Shares, the Preferred Shares and the Warrants.

Common Shares

The holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Corporation. Each Common Share confers the right to one vote at all meetings of the shareholders, except meetings at which only holders of a specified class of shares are entitled to vote. Subject to the prior rights and privileges attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to receive any dividend declared by the Corporation. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, subject to the prior rights and privileges attached to any other class of shares of the Corporation, the holders of the Common Shares are entitled to receive the remaining property and assets of the Corporation. The Common Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring a holder of Shares to contribute additional capital, and no restrictions on the issuance of additional securities by the Corporation. There are no restrictions on the repurchase or redemption of Common Shares by the Corporation except to the extent that any such repurchase or redemption would render the Corporation insolvent. The Preferred Shares may, if issued, be made convertible into Common Shares at such rate and upon such basis as the board of directors of the Corporation (the "**Board**"), in its discretion, may determine.

Preferred Shares

The Preferred Shares may be issued at any time or from time to time in one or more series. Subject to the provisions of the *Canada Business Corporations* Act, the Board may by resolution alter the articles of the Corporation to create any series of Preferred Shares and to fix before issuance, the designation, rights, privileges, restrictions and conditions to attach to the Preferred Shares of each series.

The issuance of Preferred Shares and the terms selected by the Board could decrease the amount of earnings and assets available for distribution to holders of Common Shares or adversely affect the rights and powers, including the voting rights, of the holders of the Common Shares without any further vote or action by the holders of the

Common Shares, if permitted by the *Canada Business Corporations Act*. The issuance of Preferred Shares, or the issuance of rights to purchase Preferred Shares, could make it more difficult for a third-party to acquire a majority of the Corporation's outstanding Common Shares and thereby have the effect of delaying, deferring or preventing a change of control of the Corporation or an unsolicited acquisition proposal or of making the removal of management more difficult. Additionally, the issuance of Preferred Shares may have the effect of decreasing the market price of the Common Shares.

Warrants

The Warrants are governed by a warrant indenture dated January 5, 2021 (the "**Warrant Indenture**") between the Corporation and Computershare Trust Company of Canada (the "**Warrant Agent**"). Each Warrant entitles the holder thereof to acquire, subject to adjustment in certain circumstances pursuant to the Warrant Indenture, one Common Share (each a "**Warrant Share**") at an exercise price of $5.60 (the "**Exercise Price**") until the date that is eighteen (18) months following the closing of the January Public Offering, subject to acceleration in certain circumstances in accordance with the terms of the Warrant Indenture.

The Corporation has appointed the principal transfer office of the Warrant Agent in Toronto, Ontario as the location at which the Warrants may be surrendered for exercise, transfer or exchange. Under the Warrant Indenture, the Corporation may, subject to applicable law, purchase by private contract or otherwise, any of the Warrants then outstanding, and any Warrants so purchased will be cancelled

The Warrant Indenture provides for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including: (i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares by way of a stock dividend or other distribution (other than a dividend in the ordinary course or a distribution of Common Shares upon the exercise of any Warrants or options outstanding as of the date of the Warrant Indenture); (ii) the subdivision, re-division or change of the Common Shares into a greater number of Common Shares; (iii) the consolidation, reduction or combination of the Common Shares into a lesser number of Common Shares; (iv) the issuance to all or substantially all of the holders of the Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the "Current Market Price" ("Current Market Price" is defined in the Warrant Indenture as the volume weighted average trading price per Common Share on the CSE for the 20 consecutive trading days ending immediately prior to such record date); and (v) the issuance or distribution to all or substantially all of the holders of the Common Shares of securities of any class, rights, options or warrants to subscribe for or purchase Common Shares or securities exchangeable or convertible into any Common Shares (other than a "rights offering" pursuant to (iv)), evidences of indebtedness or any property or other assets.

The Warrant Indenture also provides for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events: (i) reclassifications of the Common Shares or a capital reorganization of the Corporation (other than as described above); (ii) consolidations, amalgamations, arrangements or mergers of the Corporation with or into any other corporation or other entity (other than consolidations, amalgamations, arrangements or mergers which do not result in any reclassification of the outstanding Common Shares or a change of the Common Shares into other shares); or (iii) the sale, conveyance or transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the Exercise Price or the number of Warrant Shares issuable upon the exercise of the Warrants is required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the Exercise Price, provided that any such adjustments that are not required to be made shall be carried forward and taken into account in any subsequent adjustment.

Pursuant to the Warrant Indenture, the Corporation covenants that, during the period in which the Warrants are exercisable, it will give notice to the Warrant Agent and to the holders of the Warrants of certain stated events,

including events that would result in an adjustment to the Exercise Price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date of such event.

The Warrant Indenture provides that, if, following the closing of the Offering, the volume weighted average price of the Common Shares on the CSE (or such other stock exchange on which the Common Shares are then principally traded) exceeds $9.00 for any ten (10) consecutive trading days, the Corporation shall have the right to accelerate the expiry date of the Warrants upon not less than fifteen (15) trading days' notice, to be disseminated by the Corporation by way of a news release.

No fractional Warrant Shares are issuable upon the exercise of any Warrants and no cash or other consideration will be paid in lieu of fractional Warrant Shares. Holders of Warrants do not have any voting or pre-emptive rights or any other rights which a holder of Common Shares would have.

The Warrant Indenture provides that, from time to time, the Corporation and the Warrant Agent may amend or supplement the Warrant Indenture for certain purposes, without the consent of the holders of the Warrants, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder. Any amendment or supplement to the Warrant Indenture that would adversely affect the interests of the holders of Warrants may only be made by "extraordinary resolution", which is defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 20% of the aggregate number of the then outstanding Warrants (unless such meeting is adjourned to a prescribed later date due to the lack of quorum) and passed by the affirmative vote of not less than 662/3% of the aggregate number of all the then outstanding Warrants represented at the meeting; or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 662/3% of the aggregate number of all the then outstanding Warrants.

The Warrants and the Warrant Shares issuable upon the exercise of the Warrants have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws. The Warrants are not exercisable by, or on behalf of, a person in the United States or a "U.S. person" (as such term is defined in Regulation S under the U.S. Securities Act), nor will any certificates representing the Warrant Shares issuable upon exercise of the Warrants be registered or delivered to an address in the United States, unless an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws is available and the Corporation has received an opinion of counsel of recognized standing to such effect in form and substance reasonably satisfactory to the Corporation.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Offered Shares

See "*Description of the Share Capital of the Corporation*" above.

Compensation Warrants

For the Underwriters' services in connection with the Offering, they will receive Compensation Warrants exercisable to purchase up to an aggregate of 669,375 Compensation Shares (or 769,781 Compensation Shares if the Over-Allotment Option is exercised in full) at a price of $6.50 per Compensation Share. The Compensation Warrants will have a term of 24 months from the Closing Date. The terms to be set out in the certificates representing the Compensation Warrants will include, among other things, customary provisions for the appropriate adjustment of the number of Compensation Shares issuable pursuant to any exercise of the Compensation Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, any capital reorganization of the Corporation, or any arrangement, merger, consolidation or amalgamation of the Corporation with or into another corporation or entity, as well as customary amendment provisions.

CONSOLIDATED CAPITALIZATION

The following table sets out the consolidated capitalization of the Corporation as of the date hereof:

Securities	As at the date hereof	As of Closing Date (assuming no exercise of the Over Allotment)	As of Closing Date (assuming exercise of the Over Allotment)
Common Shares[1]	42,614,239	55,364,239	57,276,739
Warrants[2]	2,589,924	3,361,299[3]	3,461,705[3]
Stock Options[4][5]	4,877,548	4,877,548	4,877,548

Notes:

(1) The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series, none of which are issued and outstanding.

(2) Includes (i) 348,769 compensation warrants of the Corporation (the "**Private Placement Warrants**") exercisable for 348,769 Common Shares at an exercise price of $2.00 per Common Share, issued in connection with the private placements completed by FTP in August 2020 and September 2020 (the "**FTP Private Placement**"); (ii) 154,651 January Compensation Warrants; and (iii) 2,224,100 Warrants, which formed part of the Units in the January Public Offering, less any warrants exercised, *see "Prior Sales"*.

(3) Includes the Compensation Warrants issued under the Offering and up to 102,000 Advisor Warrants, issued pursuant to the Advisory Agreement.

(4) Stock options of the Corporation ("**Stock Options**") issued pursuant its stock option plan at a weighted average exercise price of $2.06 per Common Share.

(5) Number of Stock Options includes 280,000 options identified in an amended Form 11 filed with the CSE on March 2, 2021.

PLAN OF DISTRIBUTION

Pursuant to the terms and conditions contained in the Underwriting Agreement, the Corporation has agreed to sell and the Underwriters have agreed to purchase, as principal, on a "bought deal" basis, on the Closing Date, 12,750,000 Offered Shares for consideration of $82,875,000, payable in cash to the Corporation against delivery by the Corporation of the Offered Shares. The obligations of the Underwriters under the Underwriting Agreement are subject to certain closing conditions and may be terminated at their discretion on the basis of "regulatory proceedings out", "material adverse change out", "disaster out", and "breach out" provisions in the Underwriting Agreement and may also be terminated upon the occurrence of certain other stated events. The Underwriters are obligated to take up and pay for all of the Offered Shares under the Underwriting Agreement.

The Offering Price was determined by arm's length negotiation between the Corporation and the Underwriters, with reference to the prevailing market price of the Common Shares on the CSE.

The Corporation has granted to the Underwriters an Over-Allotment Option, exercisable in whole or in part in the sole discretion of the Lead Underwriter, at any time and from time to time, for a period of 30 days following the Closing Date, to purchase up to an additional 15% of the number of Offered Shares sold under the Offering at the Offering Price, being up to 1,912,500 Over-Allotment Shares, to cover the Underwriters' over-allocation position, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' Fee and net proceeds to the Corporation (before deducting expenses of the Offering) will be $95,306,250, $5,003,578.13 and $90,302,671.87, respectively. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option. A person who acquires securities forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus regardless of whether the Underwriters' over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

In consideration for the services rendered by the Underwriters in connection with the Offering, the Corporation has agreed to pay to the Underwriters the Underwriters' Fee equal to 5.25% of the gross proceeds of the Offering (including in respect of any exercise of the Over-Allotment Option). As additional consideration, the Corporation has also agreed to issue to the Underwriters such number of Compensation Warrants as is equal to 5.25% of the number of Offered Shares issued pursuant to the Offering (including any Offered Shares sold on the exercise of the Over-Allotment Option). Each Compensation Warrant is exercisable to purchase one Compensation Share at the Offering Price, subject to customary adjustment, for a period of twenty-four (24) months following the Closing Date. This Prospectus qualifies the distribution of the Compensation Warrants and the Compensation Shares issuable upon exercise thereof in full.

Pursuant to the Underwriting Agreement, the Corporation has agreed not to, directly or indirectly, issue any Common Shares or securities or other financial instruments convertible or exercisable into Common Shares (other than (i) in connection with the exchange, transfer, conversion or exercise of existing outstanding securities or existing commitments to issue securities; (ii) in connection with an arm's length acquisition; or (iii) pursuant to the grant of stock options or other compensation securities exercisable or convertible into Common Shares pursuant to any long term incentive plan that the Corporation may adopt from time to time for the benefit of its directors, officers, employees and consultants), or announce any intention to do so, for a period of 90 days from the Closing Date without the prior written consent of the Lead Underwriter, which will not be unreasonably withheld.

The Corporation has also agreed to cause each of the directors and officers of the Corporation and their respective associates to enter into lock-up agreements in favour of the Underwriters, pursuant to which each such person will agree, for a period ending 90 days after the Closing Date, not to directly or indirectly, offer, sell, transfer, pledge or otherwise dispose of any of the economic consequences of ownership (or announce any intention to do any of the foregoing) of any securities of the Corporation, whether owned, directly or indirectly, or under their control or direction, subject to certain exceptions, without the prior written consent of Underwriters, such consent not to be unreasonably withheld or delayed.

Pursuant to the rules and policy statements of certain Canadian securities regulators, the Underwriters may not, throughout the period of distribution under this Prospectus, bid for or purchase Common Shares for their own account or for accounts over which they exercise control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made for or on behalf of a client where the client's order was not solicited during the period of distribution. Subject to applicable laws and in connection with the Offering, the Underwriters may over-allot or effect transactions in connection with the Offering intended to stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Underwriters propose to initially offer, either directly or through their broker-dealer affiliates or agents, the Offered Shares at the Offering Price. After a reasonable effort has been made to sell all of the Offered Shares at the Offering Price, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Offered Shares remaining unsold. Any such reduction will have the effect of reducing the compensation realized by the Underwriters by the amount that the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Corporation and will not affect the proceeds received by the Corporation.

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is anticipated that the Offered Shares will be delivered under the book-based system through CDS or its nominee and deposited in registered or electronic form with CDS on the Closing Date, or such other date as may be agreed upon by the Corporation and the Lead Underwriter, provided that the Offered Shares are to be taken up by the Lead Underwriter on or before the date that is not later than 42 days after the date of the receipt for the (final) short form prospectus relating to the Offering. No certificates evidencing the Offered Shares will be issued to subscribers, except in certain limited circumstances, and registration will be made in the name of the nominee of CDS. Notwithstanding the foregoing, all Offered Shares offered and sold in the United States to persons who are U.S. Accredited Investors will be issued in certificated, individually registered form.

The Offered Shares offered hereby have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws and, subject to registration under the U.S. Securities Act and applicable state securities laws or certain exemptions therefrom, may not be offered, sold, transferred, delivered or otherwise disposed of, directly or indirectly, within the United States.

The Offered Shares will be offered in each of the Provinces of Canada, other than Québec, through the Underwriters or their affiliates who are registered to offer the Offered Shares for sale in such provinces and such other

registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Offered Shares in the United States and such other jurisdictions outside of Canada and the United States as agreed between the Corporation and the Underwriters, in each case in accordance with applicable laws provided that no prospectus, registration statement or similar document is required to be filed in any such jurisdiction.

The Corporation has applied to the CSE for the listing of the Offered Shares and the Compensation Shares. Listing will be subject to the Corporation fulfilling all of the listing requirements of the CSE.

Following the announcement of the Offering, certain Participating Insiders expressed an intention to participate in the Offering and acquire approximately $362,900 in Offered Shares. The Corporation is in the process of finalizing the total participation in the Offering by Participating Insiders. The final prospectus in relation to the Offering will provide an update and confirmation of total Insider participation in the Offering. The participation of the Participating Insiders in the Offering would constitute a "related party transaction", as such term is defined in MI 61-101. Absent an available exemption set forth in MI 61-101, such participation by the Participating Insiders would require the Corporation to receive minority shareholder approval for, and obtain a formal valuation for the subject matter of, the transaction in accordance with MI 61-101 prior to the completion of such transaction. However, the Corporation intends to rely on exemptions from the formal valuation and the minority shareholder approval requirements of MI 61-101, available to the Corporation under Section 5.5(b) and Section 5.7(1)(a) of MI 61-101, respectively, in each case on the basis that the fair market value of the Participating Insiders' participation in the Offering is not anticipated to exceed 25% of the market capitalization of the Corporation, as determined in accordance with MI 61-101.

Neither the Corporation nor, to the knowledge of the Corporation after reasonable inquiry, any of the Participating Insiders, has knowledge of any material information concerning the Corporation or its securities that has not been generally disclosed in accordance with applicable Canadian securities laws.

Following the completion of the Offering and pursuant to the Advisory Agreement, the Corporation will be required to issue the Advisor Warrants as payment for services rendered to the Corporation. The Advisor Warrants will be issued on a private placement basis pursuant to a prospectus exemption under National Instrument 45-106 – *Prospectus Exemption* ("**NI 45-106**"). The Advisor Warrants will be subject to the applicable hold, transfer and sale restrictions contained in NI 45-106. Each Advisor Warrant will be exercisable to purchase one Common Shares for a period of 24 months following the completion of the Offering at an exercise price of $6.50 per Common Share.

Selling and Transfer Restrictions Outside of Canada

Other than in the Offering Jurisdictions, no action has been taken by the Corporation or the Underwriters that would permit a public offering of the Offered Shares offered under this Prospectus in any jurisdiction where action for that purpose is required. The Offered Shares offered under this Prospectus may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisements in connection with the offer and sale of any Offered Shares be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this Prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this Prospectus.

The Offered Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and may not be offered or sold, directly or indirectly, within the United States except in accordance with an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Except as permitted in the Underwriting Agreement, and as expressly permitted by applicable laws of the United States, the Underwriters will not offer or sell the Offered Shares within the United States. The Underwriting Agreement will enable the Underwriters, by or through certain United States registered broker-dealers that may be appointed by the Underwriters as sub-agents, to (i) offer and sell the Offered Shares in the United States to "qualified institutional buyers" (as such term is defined in Rule 144A under the U.S. Securities Act) pursuant to Rule 144A under the U.S. Securities Act and (ii) offer Offered Shares in the United States to substituted purchasers to whom the Corporation will sell such securities directly to U.S. Accredited Investors pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) of the U.S. Securities Act and, in both cases, in reliance upon similar exemptions under applicable state securities laws. Moreover, the Underwriting Agreement will provide that

the Underwriters, will offer and sell the Offered Shares outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Offered Shares offered by this Prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Until 40 days after the commencement of the Offering, an offer or sale of the Offered Shares within the United States (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in reliance on an exemption from the registration requirements of the U.S. Securities Act.

The Offered Shares issued to persons in the United States will be "restricted securities" within the meaning of Rule 144(a)(3) of the U.S. Securities Act and will be subject to certain restrictions on transfer.

TRADING PRICE AND VOLUME

The Common Shares are listed on the CSE under the symbol "FTRP". The following table shows the monthly ranges of high and low prices per Common Share as well as total monthly volumes traded on the CSE since October 6, 2020, the first date on which the Common Shares commenced trading on the CSE, and prior to the date of this Prospectus.

	Price Range ($)		
Period	**High**	**Low**	**Volume**
March 1 – 2, 2021	7.29	6.95	131,484
February, 2021	9.88	4.66	2,734,641
January, 2021	5.35	3.18	2,803,362
December, 2020	7.00	3.90	2,946,690
November, 2020	5.85	2.51	1,573,601
October 6, 2020 – October 31, 2020	3.50	2.25	1,541,898

On February 24, 2021, the last full trading day before the announcement of the Offering, the closing price per Common Share on the CSE was $8.00. Please refer to the AIF for trading information for the common shares of Newton Energy Corporation, prior to the Transaction.

PRIOR SALES

The following table sets forth details regarding issuances of Common Shares, issuances of securities convertible into or exchangeable, redeemable or exercisable for Common Shares during the 12 month period before the date of this Prospectus:

Date of Issue	Description	Number of Securities Sold	Price Per Share/Exercise Price	Description of Consideration
October, 2019 to September, 2020	Options to purchase Class A Shares of FTP[(1)]	3,840,806	$0.50 to $2.00	Cash
February 6, 2020 to May 20, 2020	Class B Shares of FTP[(2)]	9,507,263	US$0.90	Cash and 20,882 Class B Shares of FTP were issued in satisfaction of financing costs
August 11, 2020	Exercise of Options to purchase Class A Shares of FTP[(1)]	9,000,900	$0.00001	Cash

Date of Issue	Description	Number of Securities Sold	Price Per Share/Exercise Price	Description of Consideration
August 14, 2020	Class A Shares of FTP[(1)] (FTP Private Placement)	5,516,724	$2.00	Cash
August 14, 2020	Class A Shares of FTP[(1)]	55,167	$2.00	Fee in connection with the FTP Private Placement[(3)]
August 14, 2020	Private Placement Warrants	299,753	$2.00	Fee in connection with the FTP Private Placement
September 21, 2020	Class A Shares of FTP[(1)] (FTP Private Placement)	816,932	$2.00	Cash
September 25, 2020	Class A Shares of FTP[(1)]	600,000	$2.00	Payment of under the Jamaica SPA (as defined in the AIF)
November 2, 2020	Stock Options	65,000	$2.68	Cash
November 25, 2020	Exercise of Stock Options	57,827	$1.84	Cash
December 1, 2020	Stock Options	60,000	$4.60	Cash
December 1, 2020 to December 30, 2021	Exercise of Stock Options	125,374	$0.50 – 1.85 (Range)	Cash
December 31, 2021	Stock Options	220,000	$4.09	Cash
January 5, 2020	Units (January Public Offering)	4,448,200	$4.50	Cash
January 5, 2020	January Compensation Warrants	154,651	$4.50	Fee in connection with the January Public Offering
January 5, 2020	Private Placement Warrants[(3)]	49,016	$2.00	Fee in connection with the FTP Private Placement
January 5, 2020	Common Shares[(3)]	8,170	$2.00	Fee in connection with the FTP Private Placement
January 11, 2021	Exercise of Stock Options	2,083	$0.50	Cash
January 29, 2021	Stock Options	329,997	$5.01	Cash
February 8, 2021 to February 22, 2021	Exercise of Stock Options	133,483	$0.50 – 5.60 (Range)	Cash
February 17, 2021	Stock Options	335,822	$8.25	Cash
February 17, 2021 to February 24, 2021	Exercise of Warrants	152,510	$5.60	Cash
February 26, 2021	Stock Options	110,000	$8.00	Cash

Notes:

(1) Class A Shares of FTP were exchanged for Common Shares on completion of the Transaction on a 1:1 basis.

(2) Class B Shares of FTP converted into Class A Shares of FTP following the closing of the FTP Private Placement on a 1:1 basis.
(3) The final short form prospectus filed in connection with the January Public Offering qualified 8,170 Common Shares and 49,016 warrants to purchase Common Shares for services rendered in connection with the FTP Private Placement.

ESCROWED SECURITIES AND CONTRACTUAL RESTRICTION ON TRANSFER

The following table summarizes details of the Corporation's Common Shares held, to the Corporation's knowledge, in escrow or that are subject to a contractual restriction on transfer as of the date hereof:

Number of Securities Held in Escrow	Percentage of Class
23,822,366[(1)(2)(3)]	**55.90%**[(4)]

Notes:
(1) In connection with the Transaction and as required by the CSE, the Corporation, Odyssey Trust Company ("**Odyssey**") and the directors and senior officers of the Corporation (collectively, the "**Founders**") entered into an escrow agreement dated October 1, 2020, pursuant to which the Founders deposited 19,893,465 Common Shares (collectively, the "**Odyssey Escrowed Securities**") into escrow with Odyssey. 25% of the Odyssey Escrowed Securities were released from escrow on October 6, 2020 and an additional 25% will be released on each of April 6, 2021, October 6, 2021 and April 6, 2022. In addition to the foregoing escrow arrangements, the Founders agreed to lock-up restriction with respect to the Odyssey Escrowed Securities, which provide for a staggered release from such restrictions on the 6, 12, 18 and 24 month anniversary of the listing date, being October 6, 2020 (the "**Issue Date**").
(2) In connection with a private placement by FTP completed in multiple tranches ending on May 20, 2020, subscribers holding, in aggregate, approximately 10,500,000 Common Shares agreed to voluntary lock-up restrictions, which provide for a staggered release from such restrictions on each 2, 4, 8 and 10 month anniversary of the Issue Date.
(3) In connection with a January Public Offering, the directors and officers of the Corporation agreed to voluntary lock-up restrictions, which provide for a staggered release from such restrictions 120 days after the date of the closing of the January Public Offering.
(4) Prior to the completion of the Offering. Following the Offering, the percentage of Common Shares subject to transfer restrictions will be equal to approximately 43.03% (41.59% if the Over-Allotment Option is exercised in full).

RISK FACTORS

There are certain risks inherent in an investment in the Offered Shares (which are Common Shares and for the purposes of this section are referred to as "Common Shares") and in the activities of the Corporation. In addition to the risks described herein, reference is made to the section entitled "*Risk Factors*" and the AIF, which is incorporated herein by reference. Prospective investors should carefully consider, in light of their own financial circumstances, the risk factors set forth in the information incorporated by reference herein and all of the other information contained in this Prospectus (including without limitation the documents incorporated herein by reference) before purchasing any of the securities distributed under this Prospectus. The risks described herein are not the only risks faced by the Corporation and securityholders of the Corporation. Additional risks and uncertainties not currently known to the Corporation, or that the Corporation currently deems immaterial, may also materially and adversely affect its business. The business, financial condition, revenues or profitability of the Corporation could be materially adversely affected by any of the risks set forth in this Prospectus, in the documents incorporated by reference or such other risks. The trading price of the Common Shares could decline due to any of these risks and investors could lose all or part of their investment. This Prospectus contains forward-looking statements that involve risks and uncertainties. The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by the Corporation described below and elsewhere in this Prospectus. See "*Forward-Looking Statements*". No inference should be drawn, nor should an investor place undue importance on, the risk factors that are included in this Prospectus as compared to those included in the documents incorporated by reference herein, as all risk factors are important and should be carefully considered by a potential investor.

Risks Related to the Offering and the Corporation

An investment in the Common Shares is speculative

An investment in the Common Shares and the Corporation's prospects generally are speculative due to the risky nature of its business and the present stage of its development. Investors may lose their entire investment and should carefully consider the risk factors described below, under the heading "*Risk Factors*" in the AIF and in the other documents incorporated by reference herein. The risks described below, in the AIF and in the other documents incorporated by reference herein, are not the only ones faced by the Corporation. Additional risks not currently known to the Corporation, or that the Corporation currently deems immaterial, may also impair the Corporation's operations.

There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below (or incorporated by reference herein) or other unforeseen risks. If any of the risks described below or in the AIF or in the other documents incorporated by reference herein actually occur, then the Corporation's business, financial condition and operating results could be adversely affected. Investors should carefully consider the risks below and in the Circular and the other information elsewhere in this Prospectus and consult with their professional advisors to assess any investment in the Corporation.

Completion of the Offering

The completion of the Offering remains subject to a number of conditions. There can be no certainty that the Offering will be completed. Failure by the Corporation to satisfy all of the conditions precedent to the Offering would result in the Offering not being completed. If the Offering is not completed, the Corporation may not be able to raise the funds required for the purposes contemplated under "*Use of Proceeds*" from other sources on commercially reasonable terms or at all.

Forward-looking statements may prove to be inaccurate

Investors should not place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties can be found in this Prospectus under the heading "*Forward-Looking Statements*".

Future issuances or actual or potential sales of securities

The issuance by the Corporation of Common Shares or other securities convertible into Common Shares could result in significant dilution in the equity interest of existing shareholders and adversely affect the market price of the Common Shares. In addition, in the future, the Corporation may issue additional Common Shares or securities convertible into Common Shares, which may dilute existing shareholders. The Corporation's articles permit the issuance of an unlimited number of Common Shares and an unlimited number of Preferred Shares, and shareholders will have no pre-emptive rights in connection with such further issuances. Also, additional Common Shares may be issued by the Corporation upon the exercise of stock options and upon the exercise or conversion of other securities convertible into Common Shares. The issuance of these additional equity securities may have a similar dilutive effect on then existing holders of Common Shares.

The market price of the Common Shares could decline as a result of future issuances by the Corporation, including issuance of shares issued in connection with strategic alliances, or sales by its existing holders of Common Shares, or the perception that these sales could occur. Sales by shareholders might also make it more difficult for the Corporation to sell equity securities at a time and price that it deems appropriate, which could reduce its ability to raise capital and have an adverse effect on its business.

Negative operating cash flow and going concern

The Corporation has negative cash flow from operating activities and has historically incurred net losses. There is no assurance that sufficient revenues will be generated in the near future. To the extent that the Corporation has negative operating cash flows in future periods, it may need to deploy a portion of its existing working capital to fund such negative cash flows. The Corporation will be required to raise additional funds through the issuance of additional equity securities or through loan financing. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms at least as favourable to the Corporation as those previously obtained, or at all. The Corporation’s ability to successfully raise additional capital and maintain liquidity may by impaired by factors outside of its control, such as a shift in consumer attitudes towards certain therapeutic methods or a downturn in the economy.

Any inclusion in the Corporation's financial statements of a going concern opinion may negatively impact the Corporation's ability to raise future financing and achieve future revenue. The threat of the Corporation's ability to continue as a going concern will be removed only when, in the opinion of the Corporation's auditor, the Corporation's revenues have reached a level that is able to sustain its business operations. If the Corporation is unable to obtain additional financing from outside sources and eventually generate enough revenues, the Corporation may be forced to sell a portion or all of the Corporation's assets, or curtail or discontinue the Corporation's operations. If any of these events happen, you could lose all or part of your investment. The Corporation's financial statements do not include any adjustments to the Corporation's recorded assets or liabilities that might be necessary if the Corporation becomes unable to continue as a going concern.

Discretion over the use of proceeds

The Corporation will have discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditures, and may apply the net proceeds of the Offering in ways other than as described under "*Use of Proceeds*". As a result, an investor will be relying on the judgment of the Corporation for the application of the net proceeds of the Offering. The Corporation may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and the effectiveness of the application of the net proceeds are uncertain. If the net proceeds are not applied effectively, the Corporation's business, prospects, financial position, financial condition or results of operations may suffer.

Unpredictability and volatility of the Common Shares and the Warrants

Publicly-traded securities, such as those of the Corporation, will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the Common Shares or Warrants will trade cannot be predicted. The market price of the Common Shares or Warrants could be subject to significant fluctuations in response to a variety of factors, including the following: actual or anticipated fluctuations in the Corporation'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 Corporation operates; additions or departures by the Corporation's executive officers and other key personnel; significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Corporation or its competitors; operating and share price performance of other companies that investors deem comparable to the Corporation; and news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Corporation's industry or target markets.

In addition, the securities markets have experienced significant price and volume fluctuations from time to time in recent years that often have been unrelated or disproportionate to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of the Common Shares and the Warrants. Accordingly, prospective purchasers may not be able to sell their Common Shares at or above the Offering Price.

Limited operating history as a public company

The Common Shares commenced trading on the CSE on October 6, 2020, and the Warrants commenced trading on January 5, 2021 and therefore the Corporation has a limited operating history as a public company. To operate effectively, the Corporation will be required to continue to implement changes in certain aspects of its business, improve information systems and develop, manage and train management-level and other employees to comply with ongoing public company requirements. Failure to take such actions, or delay in implementation thereof, could adversely affect the business, financial condition, liquidity and results of operations of the Corporation and, more specifically, could result in regulatory penalties, market criticism or the imposition of cease trade orders in respect of the Common Shares and Warrants.

A Significant Number of Common Shares are owned by a Limited Number of Existing Shareholders

The Corporation's management, directors and employees own a substantial number of the outstanding Common Shares (on a non-diluted and partially-diluted basis). As such, the Corporation's management, directors and employees, as a group, are in a position to exercise influence over matters requiring shareholder approval, including

the election of directors and the determination of corporate actions. As well, these shareholders could delay or prevent a change in control of the Corporation that could otherwise be beneficial to the Corporation's shareholders.

Risks Related to the Corporation's Financial Position and Need for Additional Capital

The Corporation expects to incur future losses and may never become profitable

The Corporation has historically incurred losses and expects to incur an operating loss for the year ending March 31, 2021. The Corporation believes that operating losses will continue as it is planning to incur significant costs associated with the expansion of its clinic locations, its research and development initiatives with UWI and the clinical development of FT-104 and other projects. The Corporation's net losses have had and will continue to have an adverse effect on, among other things, shareholders' equity, total assets and working capital. The Corporation expects that losses will fluctuate from quarter to quarter and year to year, and that such fluctuations may be substantial. The Corporation cannot predict when it will become profitable, if at all.

The Corporation will require additional capital to finance its operations, which may not be available to the Corporation on acceptable terms, or at all.

As a clinic operator and service provider and a research and development company, the Corporation expects to spend substantial funds to continue these initiatives. The Corporation will also require significant additional funds if it expands its current clinical plans for FT-104. Therefore, for the foreseeable future, the Corporation will have to fund all of its operations and development expenditures from cash on hand, equity financings, through collaborations with other companies or through financings from other sources. If it does not succeed in raising additional funds on acceptable terms, the Corporation might not be able to complete its planned expansion of its clinic locations, its research and development initiatives with UWI and the clinical development of FT-104 and other projects. It is possible that future financing will not be available or, if available, may not be on favorable terms. The availability of financing will be affected by the achievement of the Corporation's corporate goals, the results of operations, the ability to obtain regulatory approvals (where applicable) and the state of the capital markets generally and with particular reference to psychedelics companies. If adequate funding is not available, the Corporation may be required to delay, reduce or eliminate certain operations, or obtain funds on less favourable terms than the Corporation would otherwise accept. To the extent that external sources of capital become limited or unavailable or available on onerous terms, the Corporation's intangible assets and its ability to continue its plans may become impaired, and the Corporation's assets, liabilities, business, financial condition and results of operations may be materially or adversely affected.

Risks Related to the Corporation's Business and Industry

Novel Coronavirus

The novel coronavirus commonly referred to as "COVID-19" was identified in December 2019 in Wuhan, China. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency, and on March 11, 2020, the spread of COVID-19 was declared a pandemic by the World Health Organization. The outbreak has spread throughout Europe, the Middle East and North America, causing companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. 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 Corporation and its operating subsidiaries in future periods. However, depending on the length and severity of the pandemic, COVID-19 could impact the Corporation's operations, could cause delays relating to approval from the FDA and equivalent organizations in other countries, could postpone research activities, and could impair the Corporation's ability to raise funds depending on COVID-19's effect on capital markets.

The rapid development of the COVID-19 pandemic and the measures being taken by governments and private parties to respond to it are extremely fluid. While the Corporation has continuously sought to assess the potential

impact of the pandemic on its operations, any assessment is subject to extreme uncertainty as to probability, severity and duration. The Corporation has attempted to assess the impact of the pandemic by identifying risks in the following principle areas:

- **Mandatory Closure.** In response to the pandemic, many provinces, states and localities have implemented mandatory shut-downs of business to prevent the spread of COVID-19. In the locations where the Corporation operates or conducts research activity, these activities have been deemed an "essential service", and thus not subject to the mandatory closures applicable to non-essential businesses. It is uncertain what impact COVID-19 will have on the construction of the Corporation's newly leased locations. If required, the Corporation will work with governmental authorities to seek temporary measures that allow it to remain operational, however, there is no guarantee that the Corporation will be permitted to remain operational. The Corporation's ability to generate revenue and meet its milestones could be materially impacted by any shut down of operations or services.

- **Patient Impact**. If its patients or potential patients become ill with COVID-19, they may be forced to quarantine, decide to self-quarantine or not to visit its Clinics to observe "social distancing", it may have a material negative impact patient acquisition and retention as well as revenues while the pandemic continues.

- **Research and Development Disruptions**. The Corporation relies on a third party CMO, CRO and other personnel for its activities related to FT-104 and the Psilocybin Research, respectively. If these third parties are unable to continue operating due to mandatory closures or other effects of the pandemic, it may negatively impact the Corporation's ability to meet its milestones and may significantly delay development. At this time, the Corporation has not experienced any significant disruptions.

- **Staffing Disruption.** The Corporation is, for the time being, implementing among its staff where feasible "social distancing" measures recommended by local authorities. The Corporation has cancelled nonessential travel by employees, implemented remote meetings where possible, and permitted all staff who can work remotely to do so. For those whose duties require them to work on-site, measures have been implemented to reduce infection risk, such as reducing contact with patients, mandating additional cleaning and hand disinfection and providing masks and gloves to certain personnel. Nevertheless, despite such measures, the Corporation may find it difficult to ensure that its operations remain staffed due to employees falling ill with COVID-19, becoming subject to quarantine, or deciding not to come to come to work on their own volition to avoid infection.

The Corporation is actively addressing the risk to business continuity represented by each of the above factors through the implementation of a broad range of measures throughout its structure and is re-assessing its response to the COVID-19 pandemic on an ongoing basis. The above risks individually or collectively may have a material impact on the Corporation's ability to generate revenue.

The Corporation has sufficient cash on hand raised via equity financings to fund its operations for the next 18-months and meet its working capital requirements. To date, the Clinics have not been subject to any "lock-down" restrictions as they are medical clinics and deemed an "essential service". It is anticipated that the long-term goals of the Corporation will require additional capital contributions via debt or equity financings. In the event that the impact of COVID-19 worsens and negatively affects capital markets generally, there is a risk that the Corporation may not be able to secure funding for these long-term objectives. See "*Risk Factors*".

Risks associated with failure to achieve its publicly announced milestones according to schedule, or at all

From time to time, the Corporation may announce the timing of certain events it expects to occur, such as the anticipated timing of future clinics becoming operational, research and development updates and results from its trials on FT-104. These statements are forward-looking and are based on the best estimates of management at the time

relating to the occurrence of such events. However, the actual timing of such events may differ from what has been publicly disclosed. These variations in timing may occur as a result of different events, beyond the Corporation's control having the effect of delaying the publicly announced timeline. The Corporation undertakes no obligation to update or revise any forward-looking information or statements, whether as a result of new information, future events or otherwise, except as otherwise required by law. Any variation in the timing of previously announced milestones could have a material adverse effect on its business plan, financial condition or operating results and the trading price of the Common Shares and Warrants.

Risks associated with drug development

Drug development is subject to various laws, regulations and guidelines by governmental authorities. Laws and regulations, applied generally, grant government agencies and self-regulatory bodies broad administrative discretion over the drug development activities of the Corporation, including the power to limit or restrict business activities as well as impose additional disclosure requirements on the Corporation’s products and services.

Given the early stage of FT Discovery's product development, the Corporation can make no assurance that its research and development programs will result in regulatory approval or commercially viable products. To achieve profitable operations, the Corporation, alone or with others, must successfully develop, gain regulatory approval for, and market its future products. The Corporation currently has no products that have been approved by the FDA, Health Canada or any similar regulatory authority. To obtain regulatory approvals for its product candidates being developed and to achieve commercial success, clinical trials must demonstrate that the product candidates are safe for human use and that they demonstrate efficacy. The Corporation has not yet completed later stage clinical trials for any of its product candidates.

Many product candidates never reach the stage of clinical testing and even those that do have only a small chance of successfully completing clinical development and gaining regulatory approval. Product candidates may fail for a number of reasons, including being unsafe for human use or due to the failure to provide therapeutic benefits equal to or better than the standard of treatment at the time of testing. Unsatisfactory results obtained from a particular study relating to a research and development program may cause the Corporation or its collaborators to abandon commitments to that program. Positive results of early pre-clinical research may not be indicative of the results that will be obtained in later stages of pre-clinical or clinical research. Similarly, positive results from early-stage clinical trials may not be indicative of favourable outcomes in later-stage clinical trials, and the Corporation can make no assurance that any future studies, if undertaken, will yield favourable results.

The early stage of FT Discovery's product development makes it particularly uncertain whether any of its product development efforts will prove to be successful and meet applicable regulatory requirements, and whether any of its product candidates will receive the requisite regulatory approvals, be capable of being manufactured at a reasonable cost or be successfully marketed. If the Corporation is successful in developing its current and future product candidates into approved products, the Corporation will still experience many potential obstacles, which would affect the Corporation's ability to successfully market and commercialize such approved products, such as the need to develop or obtain manufacturing, marketing and distribution capabilities, price pressures from third-party payors, or proposed changes in health care systems. If the Corporation is unable to successfully market and commercialize any of its products, its financial condition and results of operations may be materially and adversely affected.

The Corporation can make no assurance that any future studies, if undertaken, will yield favorable results. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in later-stage clinical trials after achieving positive results in early-stage development, and the Corporation cannot be certain that it will not face similar setbacks. These setbacks have been caused by, among other things, pre-clinical findings made while clinical trials were underway or safety or efficacy observations made in clinical trials, including previously unreported adverse events. Moreover, pre-clinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that believed their product candidates performed satisfactorily in pre-clinical studies and clinical trials nonetheless failed to obtain FDA approval. If the Corporation fails to produce positive results in its future clinical trials of FT-104, the development timeline and regulatory approval and commercialization prospects for FT-104, would be materially adversely affected which may have materially adversely impact on the Corporation's business.

Regulation of Healthcare Services Generally

Healthcare service providers in Canada are subject to various governmental regulation and licensing requirements and, as a result, government regulations and funding are critical to the Corporation's business. Any change in governmental regulation, delisting of services, and licensing requirements relating to healthcare services, or their interpretation and application, could adversely affect the business, financial condition and results of operations of the Corporation. In addition, the Corporation could incur significant costs in the course of complying with any changes in the regulatory regime. Non-compliance with any existing or proposed laws or regulations could result in audits, civil or regulatory proceedings, fines, penalties, injunctions, recalls or seizures, any of which could adversely affect the reputation, operations or financial performance of the Corporation.

Potential regulation of truffles containing psilocybin under the Opium Act

In the event that the Dutch authorities take the position that therapy with truffles qualifies as "other care" (alternative therapy) or "regular care", the Corporation would then need to take steps to comply with local laws applicable to a health care provider, including but not limited to: (i) implementing a complaints procedure, a complaint register and a complaint officer in the organization; (ii) joining a recognized independent dispute body; (iii) having a quality statue in place which has been registered at the Netherlands Healthcare Institute and made public; (iv) verifying that care providers have not functioned in a way that impedes the provision of care; (v) reporting emergencies in the provision of care and the dismissal of care provides due to underperformance local regulatory bodies and (vi) in certain circumstances, installing a client council. In the event that the Dutch authorities take the position that truffles containing psilocybin qualify as medicinal product, either through actions by the Corporation or by third parties (such as registering truffles containing psilocybin as medicinal product) the Corporation would need to ensure that storing, selling and providing the truffles complies with local laws applicable to placing medicinal products on the market. Any changes in applicable laws and regulations could have an adverse effect on the Corporation’s business prospects in the Netherlands. The Corporation cannot predict the impact, cost or time required to comply with any change to the Dutch legal regime, which may significantly delay or impact the development of its business in the Netherlands. There is no assurance that activities of the Corporation in the Netherlands will continue to be legally permissible or viable in such an event.

Risks related to potential Oregon operations, including access to capital

As a result of Measure 109, there is a possibility that the Corporation may choose to expand its operations to the State of Oregon. While any activity in Oregon will be in compliance with laws applicable to Oregon, the decision to pursue operations in Oregon will depend on the regulatory framework established by the state government. There is a possibility that operations of the Corporation that are in compliance with the laws of Oregon could conflict or be in contravention of the federal laws of the United States. In such a circumstance, the Corporation's existing operations in the United States, and any future operations or investments, may become the subject of heightened scrutiny or enforcement by regulators, stock exchanges and other authorities in Canada and the United States. There can be no assurance that this heightened scrutiny will not in turn lead to the imposition of certain restrictions on the Corporation's ability to operate or invest in the United States or any other jurisdiction. While currently the Corporation operates in compliance with applicable laws and as such is not prohibited from sourcing any access public or private capital, in the event that the Corporation's activities in Oregon are in violation of applicable United States federal laws, it may have difficulty accessing the service of banks or sourcing financing on commercially reasonable terms or at all.

Risks related to regulatory changes

In Canada, psilocybin is classified as a Schedule III drug and ketamine as a Schedule I drug under the CDSA. In the United States, psilocybin is classified as a Schedule I drug and ketamine is classified as a Schedule III drug under the CSA. All activities involving such substances by or on behalf of the Corporation are conducted in accordance with applicable federal, provincial, state and local laws. While the Corporation is focused on programs using ketamine and psychedelic inspired compounds, the Corporation does not have any direct or indirect involvement with the illegal selling, production or distribution of any substances in the jurisdictions in which it operates and does not intend to have any such involvement. However, a violation of any applicable laws the jurisdictions in which the Corporation operates could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from

civil proceedings initiated by either government entities in the jurisdictions in which the Corporation operates, or private citizens or criminal charges.

Any changes in applicable laws and regulations could have an adverse effect on the Corporation's operations. The psychedelic drug industry is a fairly new industry and the Corporation cannot predict the impact of the ever-evolving compliance regime in respect of this industry. Similarly, the Corporation cannot predict the time required to secure all appropriate regulatory approvals for 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 Corporation. The Corporation 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 Corporation's operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Corporation'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 Corporation.

The success of the Corporation's business is dependent on its activities being permissible under applicable laws and any reform of controlled substances laws or other laws may have a material impact on the Corporation's business and success. There is no assurance that activities of the Corporation will continue to be legally permissible.

The potential reclassification of psilocybin and other psychedelic drugs in the United States could create additional regulatory burdens on the Corporation's operations and negatively affect the Corporation's results of operations.

If psilocybin and/or other psychedelic drugs are rescheduled under the CSA as a Schedule II or lower controlled substance (i.e., Schedule III, IV or V), it may materially alter enforcement policies across many federal agencies, primarily the FDA and DEA. The FDA is responsible for ensuring public health and safety through regulation of food, drugs, supplements, and cosmetics, among other products, through its enforcement authority pursuant to the Federal Food, Drug, and Cosmetic Act. The FDA's responsibilities include regulating the ingredients as well as the marketing and labeling of drugs sold in interstate commerce. Since it is currently illegal under federal law to produce and sell psilocybin and psychedelic drugs other than Ketamine and as there are no federally recognized medical uses, the FDA has historically deferred enforcement related to these products to the DEA. If psilocybin and/or other psychedelic drugs were to be rescheduled to a federally controlled, yet legal, substance, the FDA would likely play a more active regulatory role. The DEA would continue to be active in regulating manufacturing, distribution and dispensing of such substances. Multi-agency regulation and enforcement could materially effect the Corporation's costs associated with research and/or therapeutic uses of these substances in its business.

Reliance on drug developers

The Corporation relies and will continue to rely on third parties to conduct a significant portion of its pre-clinical and clinical development activities. Pre-clinical activities include in vivo studies providing access to specific disease models, pharmacology and toxicology studies, and assay development. Clinical development activities include trial design, regulatory submissions, clinical patient recruitment, clinical trial monitoring, clinical data management and analysis, safety monitoring and project management. If there is any dispute or disruption in its relationship with third parties, or if it is unable to provide quality services in a timely manner and at a feasible cost, the Corporation's active development programs will face delays. Further, if any of these third parties fails to perform as the Corporation expects or if their work fails to meet regulatory requirements, the Corporation's testing could be delayed, cancelled or rendered ineffective.

Pre-clinical and clinical development activities must be carried out in accordance with GLP. GLP was originally established by the Organisation for Economic Co-operation and Development to promote the quality and validity of test data and to establish a basis for mutual acceptance of data among member states at the international level. GLP was adopted by both Health Canada and the Standards Council of Canada, which has monitoring authority for GLP compliance of test facilities within Canada, and by the FDA as (Good Laboratory Practice regulations, 21 CFR 58). Labs must adopt these GLP practices to ensure they are producing valuable test results, and each lab has its

own set of approaches to staying compliant. If any of these third partner or service provider fails to GLP requirements, the Corporation's pre-clinical and clinical development activities could be delayed, cancelled or rendered ineffective.

Reliance on contract manufacturers

The Corporation has limited manufacturing experience and relies on the CMO to manufacture FT-104 for preclinical studies and clinical trials. The Corporation relies on the CMO for manufacturing, filling, packaging, storing and shipping of FT-104 in compliance with cGMP regulations. There can be no assurances that the CMO will be able to meet the Corporation's timetable and requirements. The Corporation has not contracted with alternate third parties for FT-104 production in the event that the current CMO is unable to scale up production, or if it otherwise experiences any other significant problems. If the Corporation is unable to arrange for alternative third-party manufacturing sources on commercially reasonable terms or in a timely manner, the Corporation may be delayed in the development of FT-104. Further, the CMO must operate in compliance with cGMP and ensure that their appropriate permits and licences remain in good standing and failure to do so could have a material detrimental impact on the Corporation and may adversely affect its profit margins. The CMO is in turn reliant on suppliers for starting materials, some of which have been somewhat difficult to procure, possibly due to heightened activities in psilocybin synthesis/manufacture. The CMO has been partially delayed in obtaining portions of the starting material, however, it has planned to source sufficient amounts to sustain through Phase 1 and possibly Phase 2 clinical trials.

Commercial Grade Development

To date, FT-104 has been manufactured in small quantities for pre-clinical studies. In order to commercialize its product, the Corporation needs to manufacture commercial quality drug supply for use in clinical trials. Most, if not all, of the clinical material used in phase 3/pivotal/registration studies must be derived from the defined commercial process, including scale, manufacturing site, process controls and batch size. If the Corporation has not scaled up and validated the commercial production of its product prior to the commencement of pivotal clinical trials, it may have to employ a bridging strategy during the trial to demonstrate equivalency of early stage material to commercial drug product, or potentially delay the initiation or completion of the trial until drug supply is available. The manufacturing of commercial quality drug product has long lead times, is very expensive and requires significant efforts, including scale-up of production to anticipated commercial scale, process characterization and validation, analytical method validation, identification of critical process parameters and product quality attributes, and multiple process performance and validation runs. If the Corporation does not have commercial drug supply available when needed for pivotal clinical trials, the Corporation's regulatory and commercial progress may be delayed, and it may incur increased product development costs. This may have a material adverse effect on the Corporation's business, financial condition and prospects, and may delay marketing of its product.

Clinical Testing

Before obtaining marketing approval from regulatory authorities for the sale of the Corporation's product candidates, it must conduct pre-clinical studies in animals and extensive clinical trials in humans to demonstrate the safety and efficacy of the product candidates. Clinical testing is expensive and difficult to design and implement, can take many years to complete and has uncertain outcomes. The outcome of pre-clinical studies and early clinical trials may not predict the success of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. A number of companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in advanced clinical trials due to lack of efficacy or unacceptable safety profiles, notwithstanding promising results in earlier trials. The Corporation does not know whether the clinical trials it may conduct will demonstrate adequate efficacy and safety to result in regulatory approval to market any of its product candidates in any jurisdiction. A product candidate may fail for safety or efficacy reasons at any stage of the testing process. A major risk the Corporation faces is the possibility that none of its product candidates under development will successfully gain market approval from the FDA or other regulatory authorities, resulting in the Corporation being unable to derive any commercial revenue from this business segment after investing significant amounts of capital in its development.

The Corporation cannot predict whether any clinical trials will begin as planned, will need to be restructured, or will be completed on schedule, or at all. The Corporation's product development costs will increase if it experiences delays in clinical testing. Significant clinical trial delays could shorten any periods during which the Corporation may have the exclusive right to commercialize its product candidates or allow its competitors to bring products to market

before the Corporation, which would impair the Corporation's ability to successfully commercialize its product candidates and may harm its financial condition, results of operations and prospects. The Corporation's product development costs will increase if it experiences delays in testing or approval or if the Corporation needs to perform more or larger clinical trials than planned. Additionally, changes in regulatory requirements and policies may occur, and the Corporation may need to amend study protocols to reflect these changes. Amendments may require the Corporation to resubmit its study protocols for re-examination, which may impact the cost, timing or successful completion of that trial. Delays or increased product development costs may have a material adverse effect on the Corporation's business, financial condition and prospects. Clinical trials could be delayed by the following non-exhaustive factors:

- failure by regulatory authorities to grant permission to proceed or placing the clinical trial on hold;
- patients failing to enroll or remain in the clinical trials at the rate the Corporation expects;
- suspension or termination of clinical trials by regulators for many reasons, including concerns about patient safety or failure to comply with cGMP requirements;
- any changes to the manufacturing process that may be necessary or desired;
- delays or failure to obtain clinical supply from CMOs of products necessary to conduct clinical trials;
- a lack of safety or efficacy during clinical trials;
- patients choosing an alternative treatment or participating in competing clinical trials;
- patients failing to complete clinical trials due to dissatisfaction with the treatment, side effects or other reasons;
- reports of clinical testing on similar technologies and products raising safety or efficacy concerns;
- competing clinical trials and scheduling conflicts with participating clinicians;
- clinical investigators not performing the clinical trials on their anticipated schedule, dropping out of a trial, or employing methods not consistent with the clinical trial protocol, regulatory requirements or other third parties not performing data collection and analysis in a timely or accurate manner;
- failure of the Corporation’s CROs to satisfy their contractual duties or meet expected deadlines;
- inspections of clinical trial sites by regulatory authorities or ethics committees finding regulatory violations that require corrective action, resulting in suspension or termination of one or more sites or the imposition of a clinical hold on the entire study;
- one or more regulatory authorities or ethics committees rejecting, suspending or terminating the study at an investigational site, precluding enrollment of additional subjects, or withdrawing its approval of the trial; or
- failure to reach agreement on acceptable terms with prospective clinical trial sites

Prior to commencing clinical trials in Canada, the United States or other jurisdictions, including Jamaica, for FT-104 or any other product candidates if developed by the Corporation, it may be required to have an allowed investigational new drug application ("**IND**") (or equivalent) for each product candidate and to file additional INDs prior to initiating any additional clinical trials for FT-104. The Corporation believes that the data from its studies will support the filing of additional INDs to enable the Corporation to undertake additional clinical studies as it has planned. However, submission of an IND (or equivalent) may not result in the FDA (or equivalent authorities) allowing further clinical trials to begin and, once begun, issues may arise that will require the Corporation to suspend or terminate such clinical trials.

Additionally, even if relevant regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND, these regulatory authorities may change their requirements in the future. Failure to submit or have effective INDs (or equivalent) and commence or continue clinical programs will significantly limit its opportunity to generate revenue.

Patients for Clinical Trials

If FT-104 advances from pre-clinical testing to clinical testing, and then through progressively larger and more complex clinical trials, the Corporation will need to enroll an increasing number of patients that meet its

eligibility criteria. There is significant competition for recruiting patients in clinical trials, and the Corporation may be unable to enroll the patients it needs to complete clinical trials on a timely basis or at all.

Privacy and Data Regulation

The Corporation may be subject to federal, state and provincial data protection laws and regulations in the jurisdictions in which its operate, such as laws and regulations that address privacy and data security. The Corporation may obtain health information from third parties, which are subject to privacy and security requirements under applicable laws. Depending on the facts and circumstances, the Corporation could be subject to significant civil, criminal, and administrative penalties if it obtains, uses, or discloses individually identifiable health information maintained by entities covered by applicable health and data protection laws in a manner that is not authorized or permitted by such laws.

Compliance with privacy and data protection laws and regulations could require the Corporation to contractually restrict its ability to collect, use and disclose data, or in some cases, impact its ability to operate in certain jurisdictions. Failure to comply with these laws and regulations could result in civil, criminal and administrative penalties, private litigation, or adverse publicity and could negatively affect the Corporation's operating results and business. Moreover, clinical trial subjects, employees and other individuals may limit our ability to collect, use and disclose information collected. Claims that the Corporation has violated privacy rights, failed to comply with data protection laws, or otherwise breached obligations, could be expensive and time-consuming to defend and could result in adverse publicity that could harm the Corporation's business.

Regulatory Approval Process

The Corporation's development and commercialization activities related to FT-104 or other product candidates are significantly regulated by a number of governmental entities, including the FDA, HC, and comparable authorities in other countries, including Jamaica. Regulatory approvals are required prior to each clinical trial and the Corporation may fail to obtain the necessary approvals to commence or continue clinical testing. The Corporation must comply with regulations concerning the manufacture, testing, safety, effectiveness, labeling, documentation, advertising, and sale of products and product candidates and ultimately must obtain regulatory approval before it can commercialize a product candidate. The time required to obtain approval by such regulatory authorities is unpredictable but typically takes many years following the commencement of pre-clinical studies and clinical trials. Any analysis of data from clinical activities the Corporation performs is subject to confirmation and interpretation by regulatory authorities, which could delay, limit or prevent regulatory approval. Even if the Corporation believes results from its clinical trials are favorable to support the marketing of its product candidates, the FDA or other regulatory authorities may disagree. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. The Corporation has not obtained regulatory approval for any product candidate and it is possible that none of its existing product candidates or any future product candidates will ever obtain regulatory approval.

A regulatory authority may require more information, including additional pre-clinical or clinical data to support approval, which may delay or prevent approval and the Corporation's commercialization plans, or may cause the Corporation to decide to abandon the development program. If the Corporation were to obtain approval, regulatory authorities may approve any of its product candidates for fewer or more limited indications than the Corporation requests, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Moreover, depending on any safety issues associated with the Corporation's product candidates that garner approval, the FDA may impose a risk evaluation and mitigation strategy, thereby imposing certain restrictions on the sale and marketability of such products.

Violations of laws and regulations could result in repercussions

Under the CDSA, ketamine is currently a Schedule I drug and psilocybin is currently a Schedule III drug. Under the CSA, ketamine is currently a Schedule III drug and psilocybin is currently a Schedule I drug. The Corporation's operations are conducted in strict compliance with the laws and regulations regarding its activities with such substances. As such, all facilities engaged with such substances by or on behalf of the Corporation do so under

current licenses, permits and approvals, as applicable, issued by appropriate federal, provincial, state and local governmental agencies. While the Corporation is focused on programs using ketamine and psychedelic inspired compounds, the Corporation does not have any direct or indirect involvement with the illegal selling, production or distribution of any substances in the jurisdictions in which it operates and does not intend to have any such involvement. However, a violation of any applicable laws and regulations, such as the CDSA and CSA, or of similar legislation in the jurisdictions in which it operates, including the Netherlands, could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings initiated by either government entities in the jurisdictions in which the Corporation operates, or private citizens or criminal charges. Any such violations could have an adverse effect on the Corporation's operations. Further, there is no guarantee that psychedelic drugs or psychedelic inspired drugs will ever be approved as medicines in any jurisdiction in which the Corporation operates.

Risks Related to Third Party Relationships

The Corporation has entered into agreements with third parties with respect to its operations. Such relationships could present unforeseen obstacles or costs and may involve risks that could adversely affect the Corporation, including significant amounts of management time that may be diverted from operations in order to pursue and maintain such relationships. There can be no assurance that such third parties will achieve the expected benefits to the Corporation's business or that the Corporation will be able to consummate any future relationships on satisfactory terms, or at all. Any of the foregoing could have a material adverse effect on the Corporation's business, financial condition and results of operations. Any violation of any applicable laws and regulations, such as the CDSA and CSA, or of similar legislation in the jurisdictions in which it operates, could result in such third parties suspend or withdraw their services to the Corporation. The termination or cancellation of any such agreements or the failure of the Corporation and/or the other parties to these arrangements to fulfill their obligations could have a material adverse effect on the Corporation's business, financial condition and results of operations. In addition, disagreements between the Corporation and any of third parties the Corporation contracts could lead to delays or time consuming and expensive legal proceedings, which could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Competitive Conditions

The psychedelic therapy business in Canada is an emerging industry with high levels of competition. The Corporation's current business plan is substantially the establishment of a North American chain of KAP, psychedelic-enhanced psychotherapy and psychedelic-integration psychotherapy clinics. The Corporation expects that, due to the urgent need for new and innovative treatments for mental health conditions and the evidence-based studies showing the impact of psychedelics as a treatment for mental health conditions, psychedelics as a treatment for these conditions will become more accepted in the medical community. As such, the Corporation expects to compete with other similar businesses as well as with individual medical professionals who undertake the prescribing and supervising of psychedelics to their patients. While the Corporation was an early entrant to the psychedelic-enhanced psychotherapy market in Canada, other market participants have emerged. The Corporation expects to face intense competition from new or existing market participants, some of which may have greater financial resources. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Corporation.

FT Discovery competes in the biotechnology and pharmaceutical industries, which are intensely competitive and subject to rapid and significant technological change. The Corporation’s competitors include large, well-established pharmaceutical companies, biotechnology companies, and academic and research institutions developing therapeutics for the same indications the Corporation is targeting. The Corporation is also competing with providers of existing marketed therapies. Many of the Corporation’s competitors have substantially greater financial, technical and human resources and have significantly greater experience in conducting pre-clinical testing and human clinical trials of product candidates, scaling up manufacturing operations and obtaining regulatory approvals of products. Accordingly, the Corporation’s competitors may succeed in obtaining regulatory approval for products more rapidly.

Negative results from clinical trials or studies of others and adverse safety events involving psychedelics may have an adverse impact on the Corporation’s future commercialization efforts

From time to time, studies or clinical trials on various aspects of psychedelics may be conducted by academic researchers, competitors or others. The results of these studies or trials, when published, may have a significant effect on the marketability of the substance that is the subject of the study. The publication of negative results of studies or clinical trials, or the occurrence of adverse safety events related to psychedelics could adversely affect the Corporation's clinical operations, research, share price and ability to finance future operations. Consumer perception of psychedelics may be also significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity.

The Corporation heavily relies on the capabilities and experience of its key executives and scientists and the loss of any of them could have a material adverse impact on the Corporation

The loss of the Corporation's executive officers or other key members of the Corporation's staff, could harm the Corporation. The Corporation also depends on its scientific and clinical collaborators and advisors, all of whom have outside commitments that may limit their availability to the Corporation. In addition, the Corporation believes that its future success will depend in large part upon its ability to attract and retain highly skilled scientific, managerial, medical, manufacturing, clinical and regulatory personnel, particularly as the Corporation expands its operations. The Corporation enters into agreements with its scientific and clinical collaborators and advisors, key opinion leaders and academic partners in the ordinary course of its business. The Corporation also enters into agreements with physicians in the ordinary course of its business. Notwithstanding these arrangements, the Corporation faces significant competition for these types of personnel from other companies, research and academic institutions, government entities and other organizations. The Corporation cannot predict its success in hiring or retaining the personnel it requires for continued growth. The loss of the services of any of the Corporation's executive officers or other key personnel could potentially harm its business, operating results or financial condition.

The Corporation's employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on its business

The Corporation is exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include failures to comply with applicable regulations, provide accurate information to the governmental authorities, comply with protocol and standards the Corporation has established, comply with federal, provincial, state and local laws, healthcare, fraud and abuse laws and regulations, report financial information or data accurately or disclose unauthorized activities to the Corporation. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to the Corporation's reputation. If any such actions are instituted against the Corporation, and the Corporation is not successful in defending itself or asserting its rights, those actions could have a substantial impact on the Corporation's business and results of operations, including the imposition of substantial fines or other sanctions.

The Corporation may expand its business through the acquisition of companies or businesses or by entering into collaborations, each of which could disrupt the Corporation's business and harm its financial condition

The Corporation has in the past and may in the future seek to expand its pipeline and capabilities by acquiring one or more companies or businesses or entering into collaborations. Acquisitions and collaborations involve numerous risks, including, but not limited to: substantial cash expenditures; technology development risks; potentially dilutive issuances of equity securities; incurrence of debt and contingent liabilities, some of which may be difficult or impossible to identify at the time of acquisition; difficulties in assimilating the operations of the acquired companies; potential disputes regarding contingent consideration; diverting the Corporation's management's attention away from other business concerns; entering markets in which the Corporation has limited or no direct experience; and potential loss of the Corporation's key employees or key employees of the acquired companies or businesses.

The Corporation's management has experience in making acquisitions and entering collaborations; however, the Corporation cannot provide assurance that any acquisition or collaboration will result in short-term or long-term benefits to it. The Corporation may incorrectly judge the value or worth of an acquired company or business. In

addition, the Corporation's future success would depend in part on its ability to manage the rapid growth associated with some of these acquisitions and collaborations. The Corporation cannot provide assurance that it would be able to successfully combine its business with that of acquired businesses or manage a collaboration. Furthermore, the development or expansion of the Corporation's business may require a substantial capital investment by the Corporation.

The Corporation faces the risk of product liability claims, which could exceed its insurance coverage and produce recalls, each of which could deplete the Corporation's cash resources

If and when the Corporation develops any product, including FT-104, if ever developed, it would be exposed to the risk of product liability claims alleging that use of its product caused an injury or harm. These claims can arise at any point in the development, testing, manufacture, marketing or sale of a product and may be made directly by patients involved in clinical trials of its product candidates, by consumers or healthcare providers or by individuals, organizations or companies selling its products. Product liability claims can be expensive to defend, even if the product or product candidate did not actually cause the alleged injury or harm.

Insurance covering product liability claims becomes increasingly expensive as a product moves through the development pipeline to commercialization. The Corporation currently maintains what it views as sufficient liability insurance coverage for its current operations; however, there can be no assurance that such insurance coverage is or will continue to be adequate or available to the Corporation at a cost acceptable to it or at all. The Corporation may choose or find it necessary to increase its insurance coverage in the future. The Corporation may not be able to secure greater or broader product liability insurance coverage on acceptable terms or at reasonable costs when needed. Any liability for damages resulting from a product liability claim could exceed the amount of its coverage, require the Corporation to pay a substantial monetary award from its own cash resources and have a material adverse effect on its business, financial condition and results of operations. Moreover, a product recall, if required, could generate substantial negative publicity about its products and business, inhibit or prevent commercialization of other products and product candidates or negatively impact existing or future collaborations.

Intellectual Property

Failure to obtain or register trademarks used or proposed to be used in the Corporation’s business could require the Corporation to rebrand, resulting in a material adverse impact on its business. If the Corporation is unable to register or, if registered, maintain effective patent rights for its product candidates, the Corporation may not be able to effectively compete in the market. If the Corporation is not able to protect its proprietary information and know-how, such proprietary information may be used by others to compete against the Corporation. The Corporation may not be able to identify infringements of its patents (if and when granted), and, accordingly, the enforcement of its intellectual property rights may be difficult. Once such infringements are identified, enforcement could be costly and time consuming. Third party claims of intellectual property infringement, whether or not reasonable, may prevent or delay the Corporation's development and commercialization efforts.

The Corporation's success will depend in part upon its ability to protect its intellectual property and proprietary technologies and upon the nature and scope of the intellectual property protection the Corporation receives. The ability to compete effectively and to achieve partnerships will depend on its ability to develop and maintain proprietary aspects of the Corporation's technology and to operate without infringing on the proprietary rights of others. The presence of such proprietary rights of others could severely limit its ability to develop and commercialize its products and to conduct its existing research, and could require financial resources to defend litigation, which may be in excess of the Corporation's ability to raise such funds. There is no assurance that the Corporation's patent applications submitted or those that it intends to acquire will be approved in a form that will be sufficient to protect its proprietary technology and gain or keep any competitive advantage that the Corporation may have or, once approved, will be upheld in any post-grant proceedings brought by any third parties.

The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal, scientific and factual questions for which important legal principles remain unresolved. Patents issued to the Corporation may be challenged, invalidated or circumvented. To the extent the Corporation's intellectual property offers inadequate protection, or is found to be invalid or unenforceable, the Corporation will be exposed to a greater risk of direct competition. If its intellectual property does not provide adequate protection against the Corporation's

competitors, its competitive position could be adversely affected, as could the Corporation's business, financial condition and results of operations. Both the patent application process and the process of managing patent disputes can be time consuming and expensive, and the laws of some foreign countries may not protect the Corporation's intellectual property rights to the same extent as do the laws of Canada and the United States. The Corporation will be able to protect its intellectual property from unauthorized use by third parties only to the extent that its proprietary technologies, key products, and any future products are covered by valid and enforceable intellectual property rights, including patents, or are effectively maintained as trade secrets, and provided the Corporation has the funds to enforce its rights, if necessary.

The Corporation may require additional third-party licenses to effectively develop and manufacture its key products and is currently unable to predict the availability or cost of such licenses

A substantial number of patents have already been issued to other biotechnology and pharmaceutical companies. To the extent that valid third-party patent rights cover any future products or services, the Corporation would be required to seek licenses from the holders of these patents in order to manufacture, use or sell these products and services, and payments under them would reduce the Corporation's profits from these products and services. The Corporation is currently unable to predict the extent to which it may wish or be required to acquire rights under such patents, the availability and cost of acquiring such rights, and whether a license to such patents will be available on acceptable terms or at all. There may be patents in Canada, the United States or in foreign countries or patents issued in the future that are unavailable to license on acceptable terms. The Corporation's inability to obtain such licenses may hinder or eliminate its ability to manufacture and market its products.

Changes in patent law and its interpretation could diminish the value of patents in general, thereby impairing the Corporation's ability to protect its product candidates

The Corporation's is dependent on intellectual property rights, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry involves technological and legal complexity, and obtaining and enforcing biopharmaceutical patents is costly, time consuming and inherently uncertain. The U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to the Corporation's ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts, and the USPTO the laws and regulations governing patents could change in unpredictable ways that would weaken the Corporation's ability to obtain new patents or to enforce existing patents and patents.

Litigation regarding patents, patent applications, and other proprietary rights may be expensive, time consuming and cause delays in the development and manufacturing of FT-104

The pharmaceutical industry is characterized by extensive patent litigation. Other parties may have patents that allege that Corporation's patent application infringes upon existing patents. Such proceedings could result in adverse decisions regarding: the patentability of FT-104; and the enforceability, validity, or scope of protection offered to FT-104. If the Corporation is unable to avoid infringing the patent rights of others, the Corporation may be required to seek a license, defend an infringement action, or challenge the validity of the patents in court. Regardless of the outcome, patent litigation is costly and time consuming. In some cases, the Corporation may not have sufficient resources to bring these actions to a successful conclusion. In addition, if the Corporation does not obtain a license, develop or obtain non-infringing technology, fail to defend an infringement action successfully or have infringed patents declared invalid, the Corporation may incur substantial monetary damages, encounter significant delays in bringing its key products to market and be precluded from the manufacture, use or sale of FT-104. Even if the Corporation is successful in these proceedings, it may incur substantial costs and divert management time and attention in pursuing these proceedings, which could have a material adverse effect on the Corporation.

The Corporation's reliance on third parties requires it to share its trade secrets, which increases the possibility that a competitor will discover them

Because the Corporation relies on third parties at its Clinics, including patients and employees, and in relation to FT-104, it must share trade secrets with them. The Corporation seeks to protect its proprietary technology in part

by entering into confidentiality agreements and other similar agreements prior to disclosing proprietary information. These agreements typically restrict the ability to publish data potentially relating to its trade secrets. The Corporation's academic and clinical collaborators typically have rights to publish data, provided that the Corporation is notified in advance and may delay publication for a specified time in order to secure is intellectual property rights arising from the collaboration. In other cases, publication rights are controlled exclusively by the Corporation, although in some cases the Corporation may share these rights with other parties. The Corporation may also conduct joint research and development programs which may require the Corporation to share trade secrets under the terms of research and development collaborations or similar agreements. Despite its efforts to protect its trade secrets, the Corporation's competitors may discover its trade secrets, either through breach of these agreements, independent development or publication of information including its trade secrets in cases where the Corporation does not have proprietary or otherwise protected rights at the time of publication. A competitor's discovery of the Corporation's trade secrets may impair its competitive position and could have a material adverse effect on its business and financial condition.

Risks relating to CPOM Laws

Many states prohibit or otherwise regulate under the CPOM doctrine the extent to which non-licensed personnel may be involved in the practice of medicine or otherwise employ licensed personnel. Related state rules further limit the extent to which fees for professional services may be shared or "split" between parties. In connection with the Field Trip Clinic line of business, such rules in some states my impact the Corporation’s relationship with the Medical doctors who own the Professional Corporations through which therapy is delivered. The Corporation is structuring its financial and billing relationships with such Professional Corporations to be in compliance with applicable state rules. Failure to comply with state CPOM and fee splitting rules, however, may result in fines and other liabilities, which may adversely affect the Professional Corporation’s business, financial condition and results of operations.

Any failure to comply with all applicable federal and state anti-kickback laws may result in fines and other liabilities, which may adversely affect the Corporation’s results of operations and reputation

The anti-kickback statute ("**AKS**") applies to Medicare and other state and federal programs. AKS prohibits the solicitation, offer, payment or receipt of remuneration in return for referrals or the purchase, or in return for recommending or arranging for the referral or purchase, of goods covered by the federal health care programs. The AKS is a criminal statute with criminal penalties, as well as potential civil and administrative penalties. The AKS, however, provides a number of statutory exceptions and regulatory "safe harbors" for particular types of transactions. At present, neither the Corporation nor the Clinics participate in any federal programs as their services are not reimbursed by Medicare, Medicaid or any other state or federal program. Many states have similar fraud and abuse laws and their own anti-kickback laws, some of which can apply to all payors, and not just governmental payors. While the Corporation believes that it is in material compliance with both federal and state AKS laws, if it were determined that the Corporation was not in compliance with the AKS, it could be subject to liability, and its operations could be curtailed, which could have a material adverse effect on its business, financial condition and results of operations. Moreover, if the activities of Professional Corporations with which the Corporation has a business relationship were found to constitute a violation of the AKS and the Corporation, as a result of the provision of products or services to such Professional Corporations, were found to have knowingly participated in such activities, the Corporation could be subject to sanctions or liability under such laws, including civil and/or criminal penalties, as well as exclusion from government health programs. As a result of exclusion from government health programs, neither products nor services could be provided to any beneficiaries of any federal healthcare program.

Emerging Market Risks

The Corporation has operations in Jamaica, an emerging market country, and may have operations in additional emerging markets in the future. Such operations expose the Corporation to the socio-economic conditions as well as the laws governing the activities of the Corporation in Jamaica and any other jurisdiction where the Corporation may have operations in the future. Inherent risks with conducting foreign operations include, but are not limited to: high rates of inflation; extreme fluctuations in currency exchange rates, military repression; war or civil war; social and labour unrest; organized crime; hostage taking; terrorism; violent crime; expropriation and nationalization; renegotiation or nullification of existing licenses, approvals, permits and contracts; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political norms, banking and currency

controls and governmental regulations that favour or require the Corporation to award contracts in, employ citizens of, or purchase supplies from, the jurisdiction.

The Jamaican government, or other governments in emerging markets where the Corporation may have operations in the future, may intervene in its economies, sometimes frequently, and occasionally make significant changes in policies and regulations. Changes, if any, in the research, cultivation and development of psilocybin mushroom and other botanicals policies or shifts in political attitude in Jamaica or other countries where the Corporation may have operations in the future may adversely affect its operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety. Failure to comply strictly with applicable laws, regulations and local practices could materially impact the Corporation's operations in Jamaica or other countries where the Corporation may have operations in the future. The Corporation continues to monitor developments and policies in Jamaica to assess the impact thereof to its operations or future operations; however, such developments cannot be predicted and could have an adverse effect on the Corporation's operations in Jamaica.

Jamaica has a history of economic instability (such as inflation or recession). In 2013, Jamaica launched an ambitious reform program to stabilize the economy, reduce debt, and fuel growth, gaining national and international support. While there is no current political instability, and historically there has been no change in laws and regulations, this is subject to change in the future and could adversely affect the Corporation's business, financial condition and results of operations. Jamaica is vulnerable to natural disasters such as hurricanes and flooding and the effects of climate change. It is an upper middle-income economy that is nevertheless struggling due to low growth, high public debt, and exposure to external shocks.

Global economic crises could negatively affect investor confidence in emerging markets or the economies of emerging markets, including Jamaica. Such events could materially and adversely affect the Corporation's business, financial condition and results of operations.

Financial and securities markets in Jamaica are influenced by the economic and market conditions in other countries, including other emerging market countries and other global markets. Although economic conditions in these countries may differ significantly from economic conditions in Jamaica, investors' reactions to developments in these other countries, such as the recent developments in the global financial markets, may substantially affect the capital flows into Jamaica and the market value of the securities of the Corporation. Due to the Corporation’s Jamaican subsidiary being a foreign entity, an investor’s ability to exercise statutory rights and remedies under Canadian laws against it may be limited.

The legal and regulatory requirements and local business culture and practices in Jamaica and the foreign countries in which the Corporation may expand are different from those in which it currently operates. The officers and directors of the Corporation will rely, to a great extent, on the Corporation's local legal counsel and local consultants and advisors in respect of legal, banking, labour, financing and tax matters in order to ensure compliance with material legal, regulatory and governmental developments as they pertain to and affect the Corporation's operations, particularly with respect to psilocybin or related operations. Increased compliance costs may be incurred by the Corporation. Further, there can be no assurance that the Corporation will develop a marketable product or service in Jamaica or any other foreign country. These factors may have a material adverse effect on the Corporation's research and development business and the results of its research and development operations.

In the event of a dispute arising in connection with the Corporation's operations in Jamaica or another a foreign jurisdiction where the Corporation may conduct business, the Corporation may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Corporation may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Corporation's activities in foreign jurisdictions could be substantially affected by factors beyond the Corporation's control.

Other risks include the potential for fraud and corruption by suppliers or personnel or government officials which may implicate the Corporation, compliance with applicable anti-corruption laws, including the Corruption of Foreign Public Officials Act (Canada) by virtue of the Corporation's operating in jurisdictions that may be vulnerable to the possibility of bribery, collusion, kickbacks, theft, improper commissions, facilitation payments, conflicts of interest and related party transactions and the Corporation's possible failure to identify, manage and mitigate instances of fraud, corruption, or violations applicable regulatory requirements.

The Board has effective control over the Corporation's Jamaican subsidiary in that it is wholly-owned and thus has the ability to pass all shareholder resolutions with respect thereof and can cause it to distribute dividends, subject to requirements of local laws. The Corporation does not believe that it faces any material risks outside of the normal course with respect to its corporate structure. The directors and executive officers of the Corporation's Jamaican subsidiary are also directors and officers of the Corporation, which allows the Corporation to exercise a level of control over the Jamaican subsidiary. To mitigate risk when operating in Jamaica, the Corporation may, in part, engage local counsel and/or consultants to advise on applicable regulatory and/or operational matters, as applicable, and it is anticipated that the Corporation's personnel will visit local operations as required to maintain regular involvement in such operations. No material language barriers exist. The books and records of the Jamaican subsidiary are maintained by it as well as by the Corporation such that there are no access restrictions to such books and records by the Corporation.

Enforcement of legal rights in foreign jurisdictions

In the event of a dispute arising from the Corporation's foreign operations, the Corporation may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada. Similarly, to the extent that the Corporation's assets are located outside of Canada, investors may have difficulty collecting from the Corporation any judgments obtained in the Canadian courts and predicated on the civil liability provisions of securities laws. Consequently, investors may be effectively prevented from pursuing remedies against the Corporation under Canadian securities laws or otherwise. The Corporation may also be hindered or prevented from enforcing its rights with respect to a governmental entity or instrumentality because of the doctrine of sovereign immunity.

The Corporation is exposed to foreign exchange risk due to its operations in a variety of jurisdictions

The Corporation may be adversely affected by foreign currency fluctuations. The Corporation has operations in Canada, the United States, Jamaica and the Netherlands. Also, a significant portion of its expenditures are in other currencies, and the Corporation is therefore subject to foreign currency fluctuations which may, from time to time, impact its financial position and results of operations.

Risks Related to the Corporation's Common Shares and Warrants

Inadequate internal controls may result in reporting failure

If the Corporation fails to maintain an effective system of internal controls, the Corporation might not be able to report its financial results accurately or prevent misstatement; and in that case, the Corporation’s shareholders could lose confidence in its financial reporting, which would harm its business and could negatively impact the value of its shares. While the Corporation believes that it has sufficient personnel and review procedures to allow it to maintain an effective system of internal controls, there can be no assurance that the Corporation will always successfully detect misstatements or implement necessary improvements in a timely fashion.

There is no assurance of an active or liquid market

No assurance can be given that an active or liquid trading market for the Common Shares and Warrants will be sustained. If an active or liquid market for the Common Shares and Warrants fails to be sustained, the prices at which such securities trade may be adversely affected. Whether or not the Common Shares and Warrants will trade at lower prices depends on many factors, including the liquidity of the Common Shares and Warrants, prevailing interest

rates, the markets for similar securities, general economic conditions and the Corporation's financial condition, historic financial performance and future prospects.

Public markets and share prices

The market price of the Common Shares and Warrants on the CSE could be subject to significant fluctuations in response to variations in the Corporation's operating results or other factors. In addition, fluctuations in the stock market may adversely affect the market price of the Common Shares and Warrants that may become listed and posted for trading on the CSE or any other stock exchange regardless of the operating performance of the Corporation. Securities markets have also experienced significant price and volume fluctuations from time to time. In some instances, these fluctuations have been unrelated or disproportionate to the operating performance of issuers. Market fluctuations may adversely impact the market price of the Common Shares and Warrants.

Additional issuances and dilution

The Corporation may issue and sell additional securities to finance its operations. The Corporation cannot predict the size or type of future issuances of its securities or the effect, if any, that future issuances and sales of securities will have on the market price of any of its securities issued and outstanding from time to time. Sales or issuances of substantial amounts of the Corporation's securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Corporation's securities issued and outstanding from time to time. With any additional sale or issuance of the Corporation's securities, holders will suffer dilution with respect to voting power and may experience dilution in the Corporation's earnings per share.

AUDITORS, TRANSFER AGENT AND REGISTRAR

MNP LLP is the auditor of the Corporation and has confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. DeVisser Gray LLP was the auditor of the Corporation until the completion of the Transaction on October 1, 2020 and was (including its partners and associates) at all relevant times, independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

The transfer agent and registrar for the Common Shares is Computershare Trust Company of Canada at its principal offices in Calgary, Alberta.

INTEREST OF EXPERTS

Certain legal matters relating to the Offering will be passed upon on behalf of the Corporation by Bennett Jones LLP and on behalf of the Underwriters by Borden Ladner Gervais LLP. As of the date of this Prospectus (i) the partners and associates of Bennett Jones LLP, beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Corporation; and (ii) the partners and associates of Borden Ladner Gervais LLP, beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Corporation.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE CORPORATION

Dated: March 3, 2021

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

(Signed) *"Joseph del Moral"*	(Signed) *"Donna Wong"*
Joseph del Moral Chief Executive Officer	Donna Wong Chief Financial Officer

On behalf of the Board of Directors

(Signed) *"Ronan Levy"*	(Signed) *"Hannan Fleiman"*
Ronan Levy Director	Hannan Fleiman Director

CERTIFICATE OF THE UNDERWRITERS

Dated: March 3, 2021

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

BLOOM BURTON SECURITIES INC.

(Signed) "*James Rowland*"

Name: James Rowland
Title: Director, Investment Banking

STIFEL NICOLAUS CANADA INC.

(Signed) "*Harris Fricker*"

Name: Harris Fricker
Title: President

CANACCORD GENUITY CORP.

(Signed) "*Graham Saunders*"

Name: Graham Saunders
Title: Head of Capital Markets Origination