



NUMINUS

**NUMINUS WELLNESS INC.**

**ANNUAL INFORMATION FORM  
FOR THE FINANCIAL YEAR ENDED  
AUGUST 31, 2022**

**December 12, 2022**

## TABLE OF CONTENTS

|                                                                                               |           |
|-----------------------------------------------------------------------------------------------|-----------|
| <b>EXPLANATORY NOTES.....</b>                                                                 | <b>1</b>  |
| Date of Information.....                                                                      | 1         |
| Presentation of Financial Information .....                                                   | 1         |
| Defined Terms.....                                                                            | 1         |
| Industry and Market Data; Medical Research.....                                               | 1         |
| Forward-Looking Statements .....                                                              | 1         |
| <b>BACKGROUND AND CORPORATE STRUCTURE.....</b>                                                | <b>3</b>  |
| Name, Address and Incorporation .....                                                         | 3         |
| Inter-Corporate Relationships .....                                                           | 3         |
| <b>DEVELOPMENT OF THE BUSINESS .....</b>                                                      | <b>4</b>  |
| Three Year History .....                                                                      | 4         |
| Impact of COVID-19.....                                                                       | 11        |
| Significant Acquisitions .....                                                                | 12        |
| <b>BUSINESS OF NUMINUS .....</b>                                                              | <b>13</b> |
| Our Company .....                                                                             | 13        |
| Business Strategy and Plan .....                                                              | 15        |
| Principal Products or Services .....                                                          | 18        |
| Components .....                                                                              | 20        |
| Intangible Properties .....                                                                   | 21        |
| Market .....                                                                                  | 21        |
| Economic Dependence & Changes to Contracts.....                                               | 23        |
| Environmental Protections .....                                                               | 23        |
| Cycles.....                                                                                   | 24        |
| Competitive Conditions .....                                                                  | 24        |
| Employees.....                                                                                | 24        |
| Foreign Operations .....                                                                      | 25        |
| Lending.....                                                                                  | 25        |
| <b>RISK FACTORS .....</b>                                                                     | <b>25</b> |
| Business Risks .....                                                                          | 25        |
| Financial and Accounting Risks .....                                                          | 30        |
| Risks Related to the Healthcare, Psychedelics & Wellness Industry .....                       | 34        |
| General.....                                                                                  | 40        |
| <b>DIVIDENDS AND DISTRIBUTIONS.....</b>                                                       | <b>40</b> |
| <b>DESCRIPTION OF CAPITAL STRUCTURE.....</b>                                                  | <b>40</b> |
| Common Shares .....                                                                           | 40        |
| Warrants.....                                                                                 | 41        |
| Options .....                                                                                 | 41        |
| <b>MARKET FOR SECURITIES.....</b>                                                             | <b>41</b> |
| Trading Price and Volume.....                                                                 | 41        |
| Prior Sales.....                                                                              | 43        |
| <b>ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER.....</b> | <b>45</b> |
| <b>DIRECTORS AND OFFICERS .....</b>                                                           | <b>45</b> |
| Name, Occupation and Security Holding .....                                                   | 45        |
| Biographies .....                                                                             | 47        |
| Cease Trade Orders and Bankruptcies .....                                                     | 51        |
| Penalties or Sanctions .....                                                                  | 51        |
| Conflicts of Interest .....                                                                   | 51        |

|                                                                         |           |
|-------------------------------------------------------------------------|-----------|
| <b>PROMOTERS .....</b>                                                  | <b>51</b> |
| <b>LEGAL PROCEEDINGS AND REGULATORY ACTIONS.....</b>                    | <b>52</b> |
| <b>INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS .....</b> | <b>52</b> |
| <b>RELATED PARTY TRANSACTIONS .....</b>                                 | <b>52</b> |
| <b>AUDITOR, TRANSFER AGENT, REGISTRAR AND WARRANT AGENT .....</b>       | <b>52</b> |
| <b>MATERIAL CONTRACTS .....</b>                                         | <b>53</b> |
| <b>INTERESTS OF EXPERTS .....</b>                                       | <b>53</b> |
| <b>AUDIT COMMITTEE.....</b>                                             | <b>53</b> |
| Audit Committee Charter.....                                            | 53        |
| Composition of Audit Committee .....                                    | 54        |
| Relevant Education and Experience.....                                  | 54        |
| Audit Committee Oversight .....                                         | 54        |
| Reliance on Certain Exemptions.....                                     | 54        |
| Pre-Approval Policies and Procedures .....                              | 54        |
| External Auditor Service Fees (By Category) .....                       | 55        |
| <b>ADDITIONAL INFORMATION.....</b>                                      | <b>55</b> |

**APPENDIX "A" – AUDIT COMMITTEE CHARTER**

**APPENDIX "B" – GLOSSARY OF TERMS**

## EXPLANATORY NOTES

References to "**Numinus**", "**our**", "**us**", or "**we**" refer to Numinus Wellness Inc. and its direct and indirect subsidiaries, unless the context or text indicates otherwise.

### Date of Information

Unless otherwise stated, the information in this Annual Information Form ("**AIF**") is stated as at August 31, 2022.

### Presentation of Financial Information

Numinus presents its financial statements in Canadian dollars. All dollar figures in this AIF are in Canadian dollars, unless otherwise indicated. All of the financial data and information contained in this AIF relating to Numinus has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board.

### Defined Terms

For an explanation of the capitalized terms and expressions and certain defined terms, please refer to the "Glossary of Terms" at Appendix "B" of this AIF.

### Industry and Market Data; Medical Research

Unless otherwise indicated, the market and industry data or references to medical research conducted by third-parties contained or incorporated by reference in this AIF, is based upon information from independent industry publications, market research, analyst reports, medical journals, publications and surveys and other publicly available sources. Although Numinus believes these sources to be generally reliable, market and industry data and research result 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 such publication. Numinus 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.

### Forward-Looking Statements

Certain statements (collectively, "**forward-looking statements**") in this AIF about Numinus' current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking information and/or forward-looking statements within the meaning of applicable securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer (collectively, "**Securities Laws**"). The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements, although not all forward-looking statements contain these words.

Discussions containing forward-looking statements include, among other places, those under "*Business of Numinus*" and "*Risk Factors*". Forward-looking statements are based on certain

assumptions and estimates made by us in light of the experience and perception of historical trends, current conditions, expected future developments including projected growth in the security and related industries, and other factors we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such assumptions and estimates will prove to be correct.

Many factors could cause our actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the factors, which are discussed in greater detail in the "*Risk Factors*" section of this AIF.

The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding Numinus' financial performance and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results to differ materially from those anticipated in such forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by forward-looking statements contained in this AIF. Furthermore, unless otherwise stated, the forward-looking statements contained in this AIF are made as of the date of this AIF, and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this AIF are expressly qualified by this cautionary statement.

## BACKGROUND AND CORPORATE STRUCTURE

### Name, Address and Incorporation

Numinus was incorporated under the *Company Act* (British Columbia) on June 26, 1962 under the name "Triform Explorations (B.C.) Ltd. (N.P.L.)". On October 26, 1964, Numinus amended its articles to change its name from "Triform Explorations (B.C.) Ltd." to "Triform Mining Ltd." On October 21, 1968, Numinus amended its articles to change its name from "Triform Mining Ltd." to "Lucky Strike Mines Ltd." On June 24, 1980, Numinus amended its articles to change its name from "Lucky Strike Mines Ltd." to "Lucky Strike Resources Ltd." On February 18, 2015, Numinus amended its articles to change its name from "Lucky Strike Resources Ltd." to "Rojo Resources Ltd."

On May 15, 2020, Numinus acquired 100% of the issued and outstanding securities of a private company, Numinus Bioscience Inc. (formerly, Salvation Botanicals Ltd.) ("**Numinus Bioscience**"), pursuant to a securities exchange transaction, which constituted a "reverse takeover" (the "**RTO**") and Numinus changed its name to "Numinus Wellness Inc." in connection with the RTO, with Numinus being the "reverse takeover acquiree" and Numinus Bioscience being the "reverse takeover acquirer", each as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*.

Numinus Bioscience was incorporated on March 4, 2011 under the name "0904649 B.C. Ltd.". On April 20, 2016, Numinus Bioscience was created as a result of the amalgamation of 0904649 B.C. Ltd. and Green Penguin Delights Inc. and, upon completion of the RTO, Numinus Bioscience became a wholly-owned subsidiary of Numinus.

Numinus' head office is located at 801 – 33 Water Street, Vancouver, BC V6B 1R4, and its registered and records office is located at 550 Burrard Street, Suite 1008, Vancouver, BC V6C 2B5.

### Inter-Corporate Relationships

As of the date hereof, Numinus has twelve 100% wholly-owned active subsidiaries as follows:<sup>1</sup>

| Name of Subsidiary                                                                      | Percentage of Ownership | Country of Incorporation | Principal Activity             |
|-----------------------------------------------------------------------------------------|-------------------------|--------------------------|--------------------------------|
| <b>Numinus Bioscience Inc.</b><br>(formerly <i>Salvation Botanicals Ltd.</i> )          | 100%                    | Canada                   | Psychedelic substance research |
| <b>Numinus Health Corp.</b>                                                             | 100%                    | Canada                   | Health and wellness            |
| <b>Neurology Centre of Toronto Inc.</b>                                                 | 100%                    | Canada                   | Health and wellness            |
| <b>Mindspace Services Inc.</b><br>(formerly <i>Mindspace Psychology Services Inc.</i> ) | 100%                    | Canada                   | Health and wellness            |
| <b>Novamind Inc.</b>                                                                    | 100%                    | Canada                   | Holding Company                |
| <b>Novamind Ventures Inc.</b>                                                           | 100%                    | Canada                   | Holding Company                |
| <b>Foundations for Change Inc.</b>                                                      | 100%                    | United States            | Health and wellness            |

<sup>1</sup> Excludes inactive subsidiaries whose assets and revenues are less than 10% individually and less than 20% in aggregate of the total assets or revenues of Numinus.

| Name of Subsidiary           | Percentage of Ownership | Country of Incorporation | Principal Activity  |
|------------------------------|-------------------------|--------------------------|---------------------|
| Cedar Psychiatry Inc.        | 100%                    | United States            | Health and wellness |
| Cedar Clinical Research Inc. | 100%                    | United States            | Research            |
| 1050086 B.C. Ltd.            | 100%                    | Canada                   | Food production     |
| 1134337 B.C. Ltd.            | 100%                    | Canada                   | Holding company     |
| Numinus Health (USA) Inc.    | 100%                    | Delaware, USA            | Holding company     |

## DEVELOPMENT OF THE BUSINESS

### Three Year History

#### Events Subsequent to the Year Ended August 31, 2022

- On September 13, 2022, Numinus launched a new financing option for clinic patients in Canada for both traditional therapy and Ketamine-assisted psychotherapy ("**KAP**"). Offered through iFinance Canada Inc. ("**iFinance**"), a third-party financing partner, the financing program will allow Canadian clients to apply for financing with interest rates based on the applicant's credit history. Once approved, Numinus will provide the requested therapy services and collect full payment from iFinance following the completion of the treatment plan.
- On September 19, 2022, Numinus expanded its KAP offering to its Toronto location (the Neurology Centre of Toronto Inc. (the "**NCT**"), to provide KAP services to patients with neurologic conditions.
- On October 28, 2022, Numinus announced the launch of its *Ketamine for Chronic and Serious Medical Illness Program*. This program will be introduced first in Numinus' clinics in Utah, British Columbia and Quebec. Numinus intends to expand the program to other clinics in the future.
- A total of 287,504 Common Shares were issued upon exercise of Options with a weighted average price of \$0.25 per Common Share.
- An aggregate of 2,411,744 Common Shares were issued upon exercise of Warrants with a weighted average price of \$0.35 per Common Share.

#### Year Ended August 31, 2022

- On September 22, 2021, Numinus completed the acquisition of a 100% interest in NCT. \$300,000 in cash was paid on closing, as well as the issuance of 206,228 Common Shares, valued at \$171,169 as partial consideration for the NCT acquisition.
- On November 8, 2021, 55,147 Common Shares with a fair value of \$83,272 were issued as partial consideration for the Mindspace acquisition.
- On November 10, 2021, Numinus announced that it had secured two Canadian psychedelic clinics that will host the Canadian sites of the MAPS Public Benefit Corporation ("**MAPS PBC**") study "A multi-site open-label extension study of MDMA-assisted psychotherapy for PTSD"

("MAPPUSX"), which will continue to study the safety and efficacy of MDMA in treating severe PTSD. In addition to managing the two new clinics, which are fully compliant with Health Canada regulations and ready to provide MDMA-assisted therapy as part of the trial, Numinus will host the Montreal and Vancouver sites in MAPPUSX, which will continue to study the safety and efficacy of MDMA in treating severe PTSD, under the leadership of MAPS PBC as study organizer. The MAPPUSX trial replaced the CAC Trial noted below.

- On November 19, 2021, Numinus announced that its ticker symbol on the OTC Pink market in the United States will change to "NUMIF" (previously "LKYSF") at market open on Monday, November 22, 2021.
- Effective December 16, 2021, Numinus graduated from Tier 1 on the TSX.V to the TSX.
- On January 4, 2022, 2,000,000 Common Shares were issued related to the departure of the former Chief Strategy Officer.
- On January 14, 2022, Numinus announced it had finalized the study design and protocol for a Phase 1 clinical trial on a naturally derived Psilocybin extract. This milestone advances Numinus' investigation of its first proprietary psychedelic product, which was developed using a patent-pending technology submitted to the USPTO. The Phase 1 clinical trial, "*A Healthy Adult Investigation Observing Endpoint Measures of Safety and Relative Bioavailability of Psilocybin in comparison to a Psilocybe extract: a fasting, blinded, crossover study*" (HOPE), will ascertain the safety and bioavailability of the subsequent formulation developed to stably deliver Psilocybin and other synergistic compounds. The trial design compares a formulation that was designed to be more bioavailable with synthetic Psilocybin as a baseline comparator and exploratory brain scans to visualize the potential differences in neuroactivity.
- On January 27, 2022, Numinus announced that it was included on Health Canada's list of federally licensed Psilocybin producers.
- On January 26, 2022, Numinus announced that it would commence trading on the OTCQX® Best Market in the United States on January 27, 2022 under the symbol "NUMIF."
- On March 9, 2022, Numinus announced that it had received approval from Health Canada to study Ayahuasca and San Pedro at its research facility. Through renewal of its Dealer's License, Numinus is permitted to work with San Pedro cactus, the beta-carbolines harmaline and harmalol, and the following botanical materials: Banisteriopsis caapi, Psychotria viridis, Diplopterys cabrerana, Mimosa tenuiflora.
- On March 14, 2022, Numinus announced that it had been approved by the Public Health Agency of Canada for a containment level 2 (CL2) pathogens and toxins licence.
- On March 30, 2022, Numinus announced that it had advanced to the next implementation phase in the CAC Trial, by enrolling and dosing the first clinical trial volunteer in Canada. Numinus hosts the Canadian sites for MAPPUSX, through two purpose-designed clinics located in Montreal and Vancouver. The Montreal site began drug administration, led by trial co-therapists, Dr. Joe Flanders, VP Psychology, Numinus, and Dr. Emma Hapke, Staff Psychiatrist, University Health Network and Principal Investigator for the MAPS-sponsored trial. The treatment follows MAPS' protocol of three sessions of MDMA administration and therapy, each to be followed by three integration sessions. The full program was completed in July 2022 and analysis is ongoing.

- On April 12, 2022, Numinus announced that it had entered into a definitive arrangement agreement (the "**Novamind Agreement**") with Novamind Inc. ("**Novamind**"), a public company trading on the Canadian Securities Exchange (the "**CSE**") under the symbol "NM" and OTCQB under the symbol "NVMD", pursuant to which Numinus would acquire all of the issued and outstanding common shares of Novamind (the "**Novamind Shares**") in an all-share transaction, by way of a court-approved plan of arrangement, for total share consideration valued at approximately C\$26.2 million on a fully diluted in-the-money basis (the "**Novamind Transaction**").
- Under the terms of the Novamind Agreement, shareholders of Novamind ("**Novamind Shareholders**") received 0.84 of a Common Share for each Novamind Share held, implying an offer price of \$0.44 per Novamind Share. The offer price represented a premium of 51% to Novamind Shares' 20-day volume-weighted average price on the CSE as of April 8, 2022. After giving effect to the Novamind Transaction and at the time of closing, Novamind Shareholders held approximately 18% ownership in the pro-forma capital of Numinus (on a fully diluted in-the-money basis).
- On April 14, 2022, Numinus announced that Numinus Bioscience identified an additional drug product candidate, NBIO-03, that is nearing the final stages of development. Numinus intends to include NBIO-03 in the Phase 1 clinical trial alongside NBIO-01 to establish a maximum tolerated dose. Due to competing capital priorities, Numinus has postponed this clinical trial and may launch the clinical trial in future years in support of drug candidate. On the same day, Numinus also announced that it will open a new flagship wellness clinic location in Vancouver, Canada, during the late summer or early fall of 2022 and that it would halt its planned research facility expansion in Nanaimo, BC.
- On May 16, 2022, Health Canada approved Numinus' application to complete psychedelics-assisted therapy using Psilocybin to treat an applicant with treatment-resistant depression. This represents Numinus' first Psilocybin-assisted therapy treatment outside of ongoing clinical trials, and among the first to use this regulatory mechanism through Health Canada's Special Access Program ("**SAP**"), which was amended January 5, 2022, to include access to psychedelic compounds on a case-by-case basis.
- On June 10, 2022, following shareholder approval, Numinus completed the acquisition of Novamind Inc.
- On June 10, 2022, Numinus announced several executive appointments. Michael Tan was promoted to President and Chief Operating Officer, Reid Robison was appointed Chief Clinical Officer, and Paul Thielking was appointed Chief Science Officer.
- On June 23, 2022, Numinus launched a pilot mental health program for corporate clients: Corporate Ketamine-Assisted Psychotherapy ("**Corporate KAP**"). The Utah-based Corporate KAP program is aimed at helping businesses improve employee mental health by offering KAP as a health benefit for eligible employees.
- On June 27, 2022, Numinus introduced its new logo and brand identity, which will unify Numinus' presence across North America. The rebranding activities are anticipated to be completed in phases and by the end of 2022. The rebranding process is well underway, with new signage already being developed for clinics and digital assets under development.

- On June 10, 2022, Numinus accounted that Dr. Evan Wood will no longer continue in his role as Chief Medical Officer of Numinus.
- A total of 1,902,000 Common Shares were issued upon exercise of Options with a weighted average price of \$0.40 per Common Share.
- An aggregate of 4,352,160 Common Shares were issued upon exercise of Warrants with a weighted average price of \$0.37 per Common Share.

#### Year Ended August 31, 2021

During the year ended August 31, 2021, Numinus carried out the following activities:

- On September 10, 2020, Numinus closed its short form prospectus offering consisting of 18,400,000 units (the "**September Units**") at a price of \$0.25 per unit for gross proceeds of \$4,600,000 (the "**September Offering**"). Each September Unit consisted of one Common Share and one-half share purchase warrant (each whole warrant, a "**September Warrant**") with each September Warrant entitling the holder to purchase one additional Common Share at a price of \$0.35. The September Warrants issued under the offering were subsequently listed for trading on the TSX.V under the symbol NUMI.WT effective at market open on September 21, 2020. In connection with the September Offering, Numinus issued 1,472,000 non-transferrable options (the "**September Compensation Options**") to the agent. Each September Compensation Option entitles the agent to purchase one September Unit.
- On September 24, 2020, Numinus announced that it had begun cultivating Psilocybe mushrooms, for the purposes of Psilocybin production at Numinus' laboratory and testing facility located in Nanaimo, British Columbia (the "**Lab and Testing Facility**"). On October 22, 2020, Numinus announced that it harvested its first batch of Psilocybe mushrooms under its Dealer's Licence issued by Health Canada under the CDSA.
- On November 18, 2020, Numinus announced that it would undertake a compassionate access clinical trial of Psilocybin assisted psychotherapy for substance use disorders. This study will enable Numinus to implement, test, and refine optimal protocols for the use of Psilocybin assisted psychotherapy for participants with a range of substance use disorders and will be conducted in collaboration with Syreon Corporation, a global contract research organization with expertise in conducting clinical trials across a broad range of chronic and complex diseases. The study would involve an initial 30 participants in a motivational enhancement psychedelic psychotherapy intervention with Psilocybin. This trial has been paused.
- On December 2, 2020, Numinus announced that it had signed a collaboration agreement with Multidisciplinary Association for Psychedelic Studies ("**MAPS**") and MAPS PBC, a wholly-owned subsidiary of MAPS, pursuant to which the parties will seek approval of MDMA-assisted psychotherapy for posttraumatic stress disorder ("**PTSD**") through a single arm, open label, compassionate access clinical trial (the "**CAC Trial**"). This compassionate access clinical trial, if approved, will be conducted at Numinus' wellness centre located in Vancouver, British Columbia, where registered professional therapists and health professionals use supportive therapies and technologies to focus on treating mental health and substance abuse (the "**Wellness Centre**"), providing MDMA-assisted psychotherapy to an initial 20 individuals experiencing PTSD and collecting outcome and safety data for Health Canada. Numinus' physicians, therapists and staff will be trained to deliver the treatment under MAPS' clinically

tested PTSD treatment protocol prior to approval by Health Canada. The CAC Trial was subsequently replaced with the MAPSUSX trial.

The safety and efficacy of MDMA-assisted psychotherapy is currently under investigation. It has not yet been approved by Health Canada or the FDA, does not work for everyone, and carries risks even in therapeutic settings. These statements are not a guarantee or suggestion of future Health Canada or FDA approval or availability of MDMA-assisted psychotherapy.

- On December 17, 2020, Numinus announced that it completed the first legal extraction of Psilocybe mushrooms in Canada by a public company for research and development purposes. Numinus views this as a critical next step to providing a natural product for legal, safe, and evidence-based Psilocybin assisted psychotherapies.
- On December 29, 2020, Numinus closed its December offering (the "**December Offering**"), pursuant to which Numinus issued 25,367,850 units (the "**December Units**"), on an underwritten basis, at a purchase price of \$0.68 per unit for aggregate gross proceeds to Numinus of \$17,250,138, which included the exercise, in full, by the underwriters of the overallotment option granted by Numinus to purchase an additional 3,308,850 units at \$0.68 per unit. Each unit consisted of one Common Share of Numinus and one-half share purchase warrant (each whole a "**December Warrant**"). Each December Warrant is exercisable to acquire one Common Share until December 29, 2022 at an exercise price of \$0.90 per Common Share. The December Warrants were subsequently listed for trading on the TSX.V under the symbol NUMI.WS effective at market open on January 25, 2021. In connection with the December Offering, Numinus issued 183,824 Common Shares at a price of \$0.68 per Common Share with a fair value of \$125,000, and 1,522,071 warrants (the "**December Compensation Warrants**") to the agent. Each December Compensation Warrant entitles the agent to purchase one December Unit.
- On January 6, 2021, Numinus announced that it had entered into a unique lab services agreement (the "**Lab Agreement**") with Optimi Health Corp. ("**Optimi**"), pursuant to which Optimi will utilize and leverage Numinus Bioscience's laboratories, equipment, services and expertise to undertake a number of research and development projects related to Psilocybe mushrooms, psychedelic compounds, and formulations. Optimi has also applied to Health Canada for a research exemption allowing it to conduct activities involving psychedelic compounds with Numinus Bioscience under the terms of the Lab Agreement.
- On January 13, 2021, Numinus announced the acquisition of the Orbitrap Exploris 120 mass spectrometer with Vanquish Flex Binary ("**Orbitrap**") instrument for its continued research and development of Psilocybe mushroom related projects at its Lab and Testing Facility. Implementation of the Orbitrap, a state of the art high resolution mass spectrometry instrument, will support Numinus Bioscience's research strategy to optimize cultivation, harvest, and extraction of Psilocybe mushrooms.
- On February 8, 2021 (the "**Mindspace Closing Date**"), Numinus completed the acquisition of a 100% interest in Mindspace Services Inc. ("**Mindspace**"), a Montreal based full-service psychology clinic. The acquisition of Mindspace expended Numinus Canadian clinical network to the Quebec market.
- As consideration for Mindspace acquisition, Numinus paid cash in the amount of \$500,000 to the shareholders of Mindspace on the Mindspace Closing Date. In addition, Numinus will issue 441,176 Common Shares to the shareholders of Mindspace over the course of 24 months

following the acquisition of Mindspace, as well as make contingent payments in the amount of \$1,100,000, which will be settled through the issuance of Common Shares upon achievement of certain milestones. Numinus issued 110,294 Common Shares valued at \$166,544 as part of the Mindspace acquisition consideration valued at the closing price of the Common Shares on the TSX.V on February 8, 2021.

- On February 18, 2021, Numinus announced the CAC Trial for MDMA-assisted therapy pursued in collaboration with MAPS PBC had advanced and transitioned into the pre-implementation stage at Numinus' Vancouver clinic. This follows the completion of several milestones, starting with the recruitment of therapists, physicians, and staff in preparation for participant enrolment and the ultimate analysis of therapy outcomes. The cohort of medical staff will be responsible for collecting safety data for Health Canada to further implement key research that supports individuals living with PTSD who have not benefited from existing treatment options. On July 12, 2021, Numinus announced that Health Canada had cleared the study.
- On March 4, 2021, Numinus announced that it received amendments to its federal Health Canada licence to allow the possession, production, assembly, sale, export, and delivery for a wide variety of psychedelics including Ketamine and LSD. The amendment also supports Numinus' role in these activities related to Mescaline, DMT, MDMA, Psilocin and Psilocybin. With these amendments, Numinus has the capability to develop and implement standardized psychedelics testing on top of existing high throughput capabilities, and formulate and produce psychedelic compounds in finished packaged products for clinical trials, clinical use under exemption, and export.
- On March 19, 2021, Numinus completed a bought deal financing (the "**March Offering**") of 32,200,000 units (the "**March Units**") at a price of \$1.25 per March Unit with gross proceeds of \$40,250,000. Each March Unit consists of one Common Share and one-half Common Share purchase warrants (each full warrant, a "**March Warrant**"). Each March Warrant is exercisable to acquire one Common Share for period of 24 months at an exercise price of \$1.75 per March Warrant. In connection with the closing of the bought deal financing, Numinus issued 1,932,000 non-transferrable options (the "**March Compensation Options**") to the agent. Each March Compensation Option entitles the agent to purchase one March Unit with the same term as the March Unit. On April 27, 2021, 16,100,000 March Warrants were listed on the TSX.V under the symbol "NUMI.WT.C".
- On May 11, 2021, Numinus announced that Numinus and Optimi, through Impact Clinical Trials Accelerator at the University of Calgary, had submitted a pre-clinical trial application to Health Canada for review and comment. Key information submitted in the information package provided to Health Canada includes the investigational product's chemical constituents, genotype, and formulation as well as procedures and processes to produce a consistent dosage from Psilocybe mushrooms.
- Effective June 18, 2021, Numinus' listing was graduated to Tier 1 status on the TSX.V.
- On June 24, 2021, Numinus announced that Numinus Bioscience had filed a provisional patent application with the USPTO and the World Intellectual Property Organization for a process that has the potential to significantly increase the production of therapeutics for use in psychedelic-assisted psychotherapy. The sustainable, reproducible and scalable process can be leveraged to rapidly generate therapeutic products from psychoactive fungi species that contain Psilocybin, other psychoactive compounds and a range of additional compounds,

some of which Numinus' researchers characterized for the first time in psychedelic fungi. The resulting psychedelic products may, if safe and approved, be delivered in micro or macro dosages to help treat mental health disorders.

- On July 6, 2021, Numinus announced that it had entered into a purchase agreement to acquire a 100% interest in NCT for a total of \$1,000,000, consisting of \$300,000 in cash and \$200,000 in Common Shares upon closing, as well as performance-based share payments totalling up to \$500,000. Numinus and NCT plan to expand NCT into a comprehensive clinical neurology treatment centre with a unique specialization in the application of psychedelics in the field of neurology.
- An aggregate of 3,176,878 Common Shares were issued on the exercise of Options with a weighted average price of \$0.25 per Common Share.
- An aggregate of 27,786,856 Common Shares were issued on the exercise of Warrants with a weighted average exercise price of \$0.59 per Common Share.

#### Year Ended August 31, 2020

During the year ended August 31, 2020, Numinus carried out the following activities:

- On March 3, 2020, Numinus completed a non-brokered private placement of 22,980,000 subscription receipts (the "**Subscription Receipts**") at a price of \$0.25 per Subscription Receipt for gross proceeds of \$5,745,000. The Subscription Receipts converted on May 15, 2020 in conjunction with Numinus' completion of the RTO. Each Subscription Receipt converted into one Common Share and one-half Warrant.
- On June 11, 2020, Numinus received approval from Health Canada to amend Numinus' existing Dealer's Licence under CDSA to allow Numinus' researchers to conduct research to standardize the extraction of Psilocybin from mushrooms. Numinus is the first publicly traded company in Canada to be granted a licence by Health Canada to conduct this type of research. Numinus' Dealer's Licence allows for possession, processing, sale, sending, transportation and delivery of the following psychedelics: (i) Psilocybin, (ii) Psilocin, (iii) Mescaline, (iv) DMT, and (v) MDMA, in compliance with the CDSA and its regulations.

With this regulatory approval, Numinus anticipates being able to proceed with the production of naturally sourced, sustainable Psilocybin for research purposes. The licence also allows Numinus to develop and licence its own exclusive intellectual property for further product development in partnership with research organizations.

- Numinus submitted an amendment application dated June 22, 2020 to Health Canada to amend Numinus' existing Dealer's Licence under the CDSA to allow Numinus to sell Psilocybe mushroom fruiting bodies and extract for clinical research protocols and the development of standardized testing for additional psychedelic substances. All such sales are under the Dealer's Licence and in the context of legal research or treatment programs.
- On March 11, 2020, the World Health Organization declared COVID-19 a pandemic and on March 18, of that year, the Province of British Columbia declared the pandemic a provincial state of emergency. Please refer to "Disclosures Related to Covid-10".

## Impact of COVID-19

A strain of novel coronavirus ("**COVID 19**") initially reported in December 2019 was declared a pandemic by the World Health Organization ("**WHO**") declared on March 11, 2020, and on March 18, of that year, the Province of British Columbia declared the pandemic a provincial state of emergency. Actions taken globally in response to COVID 19 have significantly interrupted international business activities and contributed to significant volatility in the financial markets.

As of the date of this AIF, different geographical locations are in different situations with regard to COVID-19 due to a number of factors such as population-level immunity, public trust and access to vaccines and therapeutics, including within the regions that Numinus operates. Furthermore, although COVID-19 restrictions have been lifted in many jurisdictions, the COVID-19 pandemic remains an acute global emergency according to the WHO and it is uncertain how governments will balance public health and economic factors at a time when the pandemic appears to be in transition but when the risk of emergence of new variants and future surges remains high. See "*Risk Factors – Public Health Crisis*".

Numinus continues to monitor the situation and adjust its health and safety protocols as recommended by the Canadian federal and provincial health authorities to ensure the safety of its employees and clients. As of the date of this AIF, COVID 19 has impacted Numinus in several ways:

(a) Operational Impact

Numinus closed the Wellness Centre in mid March 2020 as a result of government and health professional recommendations in response to the pandemic because the offered services include in person visits and require close contact between practitioners and customers. During the closure, Numinus closely monitored the guidance and response from federal and provincial governments to determine when the Wellness Centre could safely resume operations. At the beginning of July 2020, the Wellness Centre reopened for business after federal and provincial governments provided guidelines and protocols for businesses to resume operations. Numinus introduced detailed protocols at the Wellness Centre to protect the health and safety of its employees, practitioners and clients. The financial impact of the closure of the Wellness Centre resulted in a 100% decrease in revenues for the Wellness Centre. While the Wellness Centre has reopened and revenues are trending towards pre-COVID 19 levels, Numinus cannot determine when revenues will reach the levels from before COVID 19. In addition, future spread of the virus could result in another stoppage of in person visits or the closure of the Wellness Centre and/or Numinus' other clinics and facilities for an indefinite period of time.

The Lab and Testing Facility continued operations during COVID 19 as its facilities had existing health and safety protocols and standards to ensure customer samples were free of contaminants. In addition to Numinus' health and safety protocols at the Lab and Testing Facility, Numinus implemented COVID 19 related protocols as provided by federal and provincial governments to ensure the health and safety of staff. Numinus Bioscience's laboratory has continued to provide services in the emerging field of psychedelic-assisted psychotherapy, including cultivation, analytical testing, product research and development, and ancillary services in the area of psychedelics.

In order to manage ongoing costs at the Lab and Testing Facility, Numinus uses a just in time inventory system for its lab and testing services. This reduces Numinus' risk of holding a large amount of inventory in the event that COVID 19 negatively impacts the lab and testing business. Numinus currently employs a number of hourly staff for its Lab and Testing Facility and the Wellness Centre to manage business fluctuations and unknown impacts of COVID 19.

Numinus remobilized its workforce in order to provide greater physical distancing and allow the time to adopt as well as progressively assess and refine pandemic related operating protocols consistent with those recommended by the local and provincial health authorities, best management practices and the World Health Organization. Numinus understands the physical and emotional impact of COVID-19 has had on its team. Numinus continues to create an environment where its people are safe to work and to continue to support a work/life balance for the other areas of their lives that have been affected by this global pandemic.

The COVID-19 situation continues to be uncertain and varies by region as infection rates of COVID-19 and its variants remain high throughout the world including Canada and the United States, where Numinus operates. Currently all of Numinus' clinics are open for in-person visits and operate according to federal, provincial and state government COVID-19 protocols to ensure the safety of Numinus' staff and clients. Numinus' clinics continue to offer virtual therapy services and will continue to expand these offerings to continue to serve our clients in the uncertain event of future pandemic restrictions.

(b) Impact on Capital and Liquidity Resources

COVID 19 is a global pandemic that impacts all areas of Numinus' business including its customers. Potential negative impacts on its customers could impact Numinus' ability to collect on its accounts receivables, thus negatively impacting Numinus' cash flow. Numinus is actively monitoring its receivables and customer relationships to decrease the negative impacts in this area.

Numinus raised investments to fund its near-term business milestones and operations. While Numinus will continue to look for additional revenue opportunities, Numinus may need to raise additional capital to meet its business milestones. The impact of COVID 19 on Numinus business may affect its ability to raise additional capital.

(c) Impact on Capital Expenditures

Numinus currently has no plans for significant capital expenditures.

## **Significant Acquisitions**

The Novamind Transaction that closed on April 12, 2022 constitutes a significant acquisition completed during the most recently completed financial year. Please refer to "*Development of the Business - Three Year History - Year Ended August 31, 2022*" for a brief summary of the Novamind Transaction. Numinus has filed a Form 51-102F4 – *Business Acquisition Report* in respect of the Novamind Transaction which is available on SEDAR.

## BUSINESS OF NUMINUS

### Our Company

Numinus develops proprietary, psychedelic-centered, therapeutic products and services through its own laboratory and research & development processes, to be delivered through its network of physical locations, digital solutions and partnerships. Numinus operates through three key segments or divisions: (1) Research Operations, (2) the Canadian Clinic Network, and (3) the U.S. Clinic Network.

Numinus' Canadian clinic network consists of Numinus Health Corp. ("**Numinus Health**"), Mindspace, and the NCT (collectively, the "**Canadian Clinic Network**"). Services provided include KAP for depression, neurological care and psychotherapy and counselling by registered psychologists. Numinus' U.S. Clinic Network consists of Cedar Psychiatry and Foundations for Change (collectively, the "**U.S. Clinic Network**"). Services provided in the United States include KAP for depression, and psychotherapy and counselling by registered psychologists.

In both Canada and the USA, Numinus develops KAP protocols for other clinical indications, psychedelic neurology programming and therapeutic protocols for other legal psychedelic substances.

Numinus research is conducted through Numinus Bioscience in Canada and Cedar Clinical Research Inc. ("**CCR**") in the United States. Both MDMA and Psilocybin are in the process of being researched to be approved for therapeutic use to treat a number of mental health conditions, including PTSD, depression, anxiety and addiction. Numinus is conducting clinical trials with both substances and preparing for the eventual roll-out of these therapies to the general public, once approved by the appropriate regulatory bodies, through its clinic network.

Numinus currently holds the following licenses:

| Licence                                                                                                                                                                                                                                                                                                                                                                   | Authorized Activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><u>Dealer's Licence</u></p> <ul style="list-style-type: none"> <li>• Licence No. 6-1197</li> <li>• Effective as of June 9, 2020 and expiring on February 28, 2024</li> <li>• Issued in accordance with the CDSA and its Regulations</li> </ul>                                                                                                                         | <p>Possession, production, sale/provision, sending, transportation and delivery for the following controlled substances, including their salts:</p> <ul style="list-style-type: none"> <li>• Mescaline</li> <li>• N,N-Dimethyltryptamine (DMT)</li> <li>• N-Methyl-3,4-Methylenedioxyamphetamine</li> <li>• Psilocin</li> <li>• Psilocybin</li> <li>• Psilocybin mushroom extract (5kg)</li> <li>• Fruiting body of Psilocybe species (10kg, dry weight)</li> <li>• San Pedro cactus</li> <li>• Beta-carbolines harmaline and harmalol</li> <li>• Banisteriopsis caapi</li> <li>• Psychotria viridis</li> <li>• Diplopterys cabrerana</li> <li>• Mimosa tenuiflora</li> <li>• Ayahuasca</li> </ul> |
| <p><u>Analytical Testing Licence</u></p> <ul style="list-style-type: none"> <li>• Licence No. LIC-KJY6B6DFM0-2020-1</li> <li>• Effective as of August 20, 2020 and expiring on August 20, 2023</li> <li>• Issued in accordance with the <i>Cannabis Act</i> and the <i>Cannabis Regulations</i></li> </ul>                                                                | <ul style="list-style-type: none"> <li>• To possess cannabis for the purpose of testing</li> <li>• To obtain cannabis by altering its chemical or physical properties by any means for the purpose of testing</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><u>Containment Level 2 (CL2) pathogens and toxins license</u></p> <ul style="list-style-type: none"> <li>• License No. 6-1197</li> <li>• Effective as of March 1, 2022 and expiring on February 29, 2024</li> <li>• Issued in accordance with the <i>Human Pathogens and Toxins Act</i> and the <i>Health of Animals Regulations</i></li> </ul>                        | <ul style="list-style-type: none"> <li>• Disposing, exporting, handling, importing, permitting access to, possessing, producing, storing, transferring, and using certain human pathogens</li> <li>• Import and move to another place certain animal pathogens</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><u>Active Limited License</u></p> <ul style="list-style-type: none"> <li>• Pharmacy - Class E Business License No. 12317017-1714</li> <li>• Limited Controlled Substance Business No. 12317017-8915</li> <li>• Effective as of July 14, 2021 and expiring on 09/30/2023</li> <li>• Issued in accordance with the <i>Utah Controlled Substances Act Rule</i></li> </ul> | <ul style="list-style-type: none"> <li>• Permits Research with Human Clinical Investigational Drugs at the Murray, Utah location of CCR</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

| Licence                                                                                                                                                                                                                                                                                                                                                        | Authorized Activities                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Active Limited License</u> <ul style="list-style-type: none"> <li>• Pharmacy - Class E Business License No. 12317035-1714</li> <li>• Limited Controlled Substance Business No. 12317035-8915</li> <li>• Effective as of July 14, 2021 and expiring on 09/30/2023</li> </ul> <p>Issued in accordance with the <i>Utah Controlled Substances Act Rule</i></p> | <ul style="list-style-type: none"> <li>• Permits Research with Human Clinical Investigational Drugs at the Draper, Utah location of CCR</li> </ul> |

In June 2021, Numinus Bioscience filed a provisional patent application with the USPTO for a process that dramatically increases the production of therapeutics for use in psychedelic-assisted psychotherapy. The sustainable, reproducible and easily scalable process will be used to rapidly generate therapeutic products from psychoactive fungi species that contain Psilocybin, other psychoactive compounds and a range of additional beneficial compounds, some of which Numinus' researchers characterized for the first time in psychedelic fungi. The resulting psychedelic products may be delivered in micro or macro dosages to help treat mental health disorders that affect millions of people around the world.

On March 9, 2022, Numinus announced that it had received approval from Health Canada to study Ayahuasca and San Pedro at its research facility. This license expansion will further position Numinus as a recognized global research centre for natural psychedelic medicines, and supplements the current work Numinus is already undertaking on Psilocybe species and inherent synergistic compounds. Through renewal of its Dealers' License, Numinus is now permitted to work with San Pedro cactus, the beta-carbolines harmaline and harmalol, and the following botanical materials: Banisteriopsis caapi, Psychotria viridis, Diplopterys cabrerana, Mimosa tenuiflora.

The botanical materials are notable for their role as admixtures to Ayahuasca, a psychoactive brew made from multiple plant materials and consumed in Amazonian Indigenous traditional practices for ceremonial, medicinal and spiritual purposes. Harmaline and harmalol naturally occur in B. caapi, while P. viridis, D. cabrerana and M. tenuiflora contain DMT (N, N-Dimethyltryptamine), a tryptamine that produces psychedelic effects. Research will be done to develop standardized analytical methods for the starting materials, finished Ayahuasca brews, and San Pedro (which contains the psychedelic compound, Mescaline).

## Business Strategy and Plan

### Research Operations

Numinus' Research Operations is focused on licensed psychedelic research and derives revenues from providing clinical research management services to academic institutions and biotechnology companies.

CCR is Numinus' research arm based in various cities in the state of Utah in the United States, focused on hosting phase I and phase IV clinical trial and research focused on emerging treatment options in neuropsychiatry on behalf of third-party sponsors. CCR provides select contract research organization services for pharmaceutical companies. CCR also hosts and sponsors

investigator-initiated studies to answer research questions unaddressed by clinical trials and to validate psychedelic-assisted psychotherapy treatment protocols. Numinus has partnered with MAPS PBC for a Phase 2, single-arm, open-label compassionate access trial to study the safety and effectiveness of MDMA-assisted therapy for PTSD.

Numinus Bioscience is a Health Canada-licensed lab for psychedelic substance research, developing intellectual property and advancing research while offering contract research, analytics, and innovation services for revenue generation. Numinus Bioscience' laboratory provides services including cultivation, analytical testing, product research and development, and ancillary services in the area of psychedelics. Numinus' research and development activities focus on developing psychedelic-assisted therapeutic protocols to embed in mainstream healthcare, led by medical leadership with global research and policy reform experience.

Key activities include cultivation, production and extraction of natural *Psilocybe* and other psychoactive fungi species, develop proprietary processes and products, standardize methods for controlled psychedelics and developing a pipeline for product development, protocol development and safety and efficacy studies.

Through the operations of Numinus Bioscience, Numinus became the first public company in Canada to successfully complete a legal harvest and extraction of *Psilocybe* mushrooms for research and development purposes.

Following these milestones, Numinus invested in specialized laboratory equipment to continue the accelerated trajectory of Numinus Bioscience's research strategy to optimize cultivation, harvest, and extraction of *Psilocybe* mushrooms.

On January 14, 2022, Numinus announced it had finalized the study design and protocol for a Phase 1 clinical trial on a naturally derived *Psilocybin* extract. This milestone advances Numinus' investigation of its first proprietary psychedelic product, which was developed using a patent-pending technology submitted to the USPTO. The Phase 1 clinical trial, "A Healthy Adult Investigation Observing Endpoint Measures of Safety and Relative Bioavailability of *Psilocybin* in comparison to a *Psilocybe* extract: a fasting, blinded, crossover study" (HOPE), will ascertain the safety and bioavailability of the subsequent formulation PSYBINA RXTM developed to stably deliver *Psilocybin* and other synergistic compounds. The trial design compares the innovative formulation, designed to be more bioavailable, with synthetic *Psilocybin* as a baseline comparator and exploratory brain scans will visualize the potential differences in neuroactivity.

### *Canadian Clinic Network*

Numinus' Canadian Clinic Network comprises of Numinus Health, Mindspace and the NCT. Numinus also operates the Wellness Centre located in Vancouver, British Columbia, where registered professional therapists and health professionals use supportive therapies and technologies to focus on treating mental health and substance abuse.

Numinus offers an integrated therapeutic model designed with the potential to create long-term relationships with individuals wanting physical, mental and emotional health. In addition to services including KAP, psychotherapy, counselling services, neurofeedback, physiotherapy and other therapies, Numinus proposes to expand its services to include guiding clients in the therapeutic use of psychedelics other than Ketamine upon legalization and regulatory approval. Should other legal psychedelic therapies become available in jurisdictions where Numinus operates, Numinus plans to conduct such therapies, if any, in a safe, controlled therapeutic

environment likely in partnership with various health and research organizations, and only in accordance with legalization and regulatory approval.

Numinus also supports practitioners in delivering best-in-class treatments by offering centralized, Numinus-owned training, facilities and other operational resources for effective care delivery and healthcare impact.

Mindspace is a Montreal-based full-service psychology clinic with an evidenced-based approach to mental health. The acquisition of Mindspace in February 2019, expanded Numinus' Canadian clinical network to the Quebec market. The Mindspace service offering includes a Psychedelic Harm Reduction and Integration programming service is a first-of-its-kind training in Canada helping clinicians and their clients to work safely with psychedelics since 2019 and KAP for treatment-resistant depression since 2020. Mindspace has four Montreal locations and operates under the continued leadership of founder Dr. Flanders.

Numinus acquired Toronto-based NCT in 2021. NCT's principal service includes neurological services for the diagnosis and treatment of adults, children & infants with diseases that affect the nervous system, including through its Virtual Rapid Access Clinic for select neurological conditions. NCT also offers virtual therapy, specialized programs including KAP, and the Family Health Team Concussion Rehabilitation Program, which is a collaborative approach between primary care teams in Ontario and the Occupational Therapy team at NCT.

Numinus and NCT plan to expand NCT into a comprehensive clinical neurology treatment centre with a unique specialization in the application of psychedelics in the field of neurology.

Currently, therapies for common neurological disorders such as concussion, migraine and cluster headache, neuropathic pain syndromes and chronic epilepsy have limitations, especially when these disorders are associated with chronic psychological challenges. The need to develop novel therapies that address both medical and psychological components of neurological diseases may be substantial and the potential impact could be significant. Numinus through NCT propose to explore and develop applications of psychedelic-assisted therapies to treat a host of mental health disorders.

In addition, NCT has developed a virtual rapid-access model for patient intake and evaluation that is efficient, team-based and modifiable to support specialized programs across various disciplines. The rapid access model is cost-effective, supports and streamlines patient care, reduces wait lists, addresses some barriers to care, and has scale potential. NCT and Numinus will explore how this innovative model can support the development and delivery of efficient, patient-centered psychedelic-assisted psychotherapy.

Numinus, in collaboration with MAPS and MAPS PBC, filed for and received from Health Canada approval of MDMA-assisted psychotherapy for PTSD through the CAC Trial. Conducted at the Wellness Centre in Vancouver, the CAC Trial is a single arm, open label, compassionate access clinical trial examining the use of MDMA-assisted psychotherapy for PTSD. The CAC Trial involved an initial 20 individuals experiencing PTSD and collecting outcome and safety data for Health Canada. Numinus' physicians, therapists and staff involved in the CAC Trial were trained to deliver the treatment under MAPS' clinically tested PTSD treatment protocol prior to approval by Health Canada. The CAC Trial was replaced by the MAPSUSX trial.

The CAC Trial advanced the pre-implementation stage in February 2021 following the completion of several milestones, from including the recruitment of therapists, physicians, and staff in preparation for participant enrolment and through to the ultimate analysis of therapy outcomes.

In November 2021, Numinus secured two Canadian psychedelic clinics that will host the Canadian sites of the MAPS PBC study. In addition to managing the two new clinics, which are fully compliant with Health Canada regulations, Numinus will host the Montreal and Vancouver sites in MAPPUSX, which will continue to study the safety and efficacy of MDMA in treating severe PTSD under the leadership of MAPS PBC as study organizer.

On March 30, 2022, Numinus announced that it had enrolled and dosed the first clinical trial volunteer in Canada. The Montreal site has begun drug administration, led by trial co-therapists Dr. Joe Flanders, VP Psychology, and Dr. Emma Hapke, Staff Psychiatrist, University Health Network and Principal Investigator for the MAPSUSXtrial. The treatment follows MAPS' protocol of three sessions of MDMA administration and therapy, each to be followed by three integration sessions. The full program was completed in July 2022.

### *U.S. Clinic Network*

On June 10, 2022, Numinus completed the acquisition of a 100% interest in Novamind, expanding its operations to the United States and increasing the number of services and treatments offered to Numinus' clients. In addition, the acquisition added four clinical research facilities.

Following the Novamind Transaction and the acquisition of Mindspace in February 2021, Numinus operates 13 wellness clinics across the U.S. and Canada, and intends to continue developing and scaling innovative psychedelic therapy protocols and procedures for screening, preparation, dosing and integration targeting difficult-to-treat mental health conditions, including PTSD, COVID-19 burnout, depression, addiction and eating disorders. Operationally, the combined company may benefit from a centralized client care center for managing client inquiries, scheduling clients with appropriate providers, coordinating physician referral intakes, fulfilling prescription requests and facilitating insurance authorizations. As of the date of this AIF, Numinus' Utah clinics have secured approval for direct billing of intravenous (IV) ketamine for treatment-resistant depression from four major health insurance providers.

Numinus operates four clinical research sites (two in the United States and two in Canada) and a bioanalytical laboratory in Canada, all of which are currently supporting leading drug developers in psychedelic medicine with critical infrastructure and services. All such services are in the context of FDA-approved or Health Canada-approved trials.

### **Principal Products or Services**

Numinus Health's principal services are naturopathic and other alternative medicine therapies offered at its treatment centre. Should psychedelic substances move to the mainstream and health professionals look to apply these substances in safe, controlled, therapeutic environments, Numinus Bioscience will have the opportunity to play an important role in the areas of psychedelic substance research, testing, and global distribution.

The following table shows the revenue for each key division for each of the two most recently completed financial years:

|                         | Year ended August 31, |           |
|-------------------------|-----------------------|-----------|
|                         | 2022                  | 2021      |
|                         | \$                    | \$        |
| Clinical Research       | 749,481               | 479,502   |
| Canadian Clinic Network | 2,703,121             | 1,034,168 |
| U.S. Clinic Network     | 3,041,472             | -         |
|                         | 6,494,074             | 1,513,670 |

### Psilocybin, Mescaline, DMT, and Ayahuasca

Numinus has commenced operations to produce Psilocybe mushrooms and extract their Psilocybin. Numinus aims to grow these operations to provide a natural product from the extraction of Psilocybe mushrooms for safe, evidence-based Psilocybin-assisted psychotherapies. All such operations are conducted under the Dealer's License. Numinus has not commenced production of Mescaline, DMT, or Ayahuasca.

Neither Health Canada nor the FDA have approved Psilocybin, Mescaline, DMT, or Ayahuasca as a drug for any indication. However, there are legal routes through which these substances may be accessed for research and medical purposes.

### Cannabis

As of December 2021, Numinus Bioscience has ceased all cannabis-related activities to focus its resources towards psychedelic compounds.

### *Extraction Services*

Numinus has commenced its licensed operations to extract Psilocybin from Psilocybe mushrooms for research and development purposes.

### *Location and Storage*

Numinus operates Lab and Testing Facility in Nanaimo, British Columbia. The facility is leased arms length from a third party and expires in August 1, 2025. Numinus is current and remains in good standings with the lessor.

Numinus also operates Wellness Centres in Canada and the United States. The centers are all leased arms-length from third parties and are current and remain in good standing with the lessors. The following table summarizes Numinus' wellness center locations.

| Location               | Square Footage | Expiry     |
|------------------------|----------------|------------|
| Montreal, QC<br>Canada | 1,345          | 2027-08-31 |
| Montreal, QC<br>Canada | 1,380          | 2027-08-31 |
| Montreal, QC<br>Canada | 683            | 2025-01-30 |

| Location                           | Square Footage | Expiry     |
|------------------------------------|----------------|------------|
| Vancouver, BC<br>Canada            | 2,058          | 2029-03-31 |
| Toronto, ON<br>Canada              | 1,756          | 2025-01-31 |
| Springville, Utah<br>United States | 3,600          | 2030-01-01 |
| Orem, Utah<br>United States        | 1,900          | 2022-12-31 |
| Layton, Utah<br>United States      | 4,200          | 2025-08-31 |
| Murray, Utah<br>United States      | 4,169          | 2028-07-31 |
| Draper, Utah<br>United States      | 3,859          | 2031-03-03 |
| Arrow, Arizona<br>United States    | 1,678          | 2024-08-30 |
| Dunlap, Arizona<br>United States   | 5,334          | 2029-11-01 |

### *Specialized Skill and Knowledge*

Canadian and U.S. Clinic operations depend on the availability of physicians, nurse practitioners, therapists and other healthcare professionals to provide services at its facilities. Such professionals also require specialized training and, in some cases, a DEA License. Please see *"Risk Factors - Reliance on Physicians and other Healthcare Professionals"*.

In order to run a licensed laboratory, qualified personnel are required with knowledge on how to develop and validate testing methods, and how to conduct test and interpret results. Numinus Bioscience's laboratory staff academic qualifications include biochemistry, phytochemistry, analytical chemistry, microbiology, and analytical testing at graduate and doctorate levels.

Licensed product requires not only cultivation, extraction and formulation expertise but so regulatory, security and production expertise as well. Numinus has on staff long-standing managers heading the aforementioned functions respectively.

CCR's research requires the availability of qualified medical staff to act as a "research principal" and qualified healthcare staff to administer the protocols under investigation and to gather and, where applicable, analyze relevant data. Numinus may conduct research through contract research organizations ("**CMO**"), including as subcontractors for its own CMO business.

## **Components**

### Raw Materials & Research Supplies

With respect to raw materials, Numinus maintains a library of spores and cultivates Psilocybe mushrooms under its Dealer's License. Numinus also generates its own biomass from in-house validated parental cell lines with a view to leveraging multiple beneficial compounds to create a

complex matrix with multiple benefits at its Lab and Testing Facility. Numinus purchases all other laboratory supplies from qualified vendors to meet Good Manufacturing Practice ("**GMP**") and Good Laboratory Practice ("**GLP**") requirements. Numinus has also purchased standards of compounds listed on its Dealer License and has, or is, developing test methods for them. However, due to our resource restrictions Numinus currently focused solely on Psilocybe and leveraging multiple beneficial compounds. Other supplies include solvents and packaging materials, which are all readily available from any chemical providers and packaging manufacturers.

### Clinic Supplies

Ketamine and other approved prescription drugs used in the Canadian and U.S. Clinic Networks are obtained through licensed pharmacies and suppliers. Numinus may also use psychedelic materials produced by Numinus Bioscience in connection with therapy delivered under research protocols or in connection with S. 56 exemption and compassionate relief programs.

### **Intangible Properties**

Numinus has developed proprietary processes, including its clinical protocols and techniques used within Numinus Bioscience. While exploring the patentability of these processes and techniques, Numinus relies on non-disclosure, confidentiality and intellectual property assignment agreements for the protection of these assets.

Numinus owns or has applied for trademark protection with the USPTO for the wordmark NUMINUS and with the CIPO for the following marks: NUMINUS, PSYBINA, PSILOCYBE 10, PSILOCYBE 15, PSILOCYBE 25 and for its "N logo" appearing below:



In connection with its rebranding, Numinus is in the process of filing additional marks with the USPTO and CIPO.

Numinus is also the applicant for International (PCT) Patent Application No. PCT/CA2022/050950, more fully described under the heading "*Development of the Business – Three Year History*".

### **Market**

#### Clinic Network Segments

Numinus' clinics in Canada and the USA offer a wide range of mental health services, including traditional therapy, KAP, transcranial magnetic stimulation, counseling and other services. An

estimated 52.9 million adults, or in one in five, suffer from a mental health illness in the U.S.<sup>2</sup>, with the global cost to treat mental health illness anticipated to reach \$6 trillion by 2030<sup>3</sup>.

While Ketamine is a controlled substance in Canada and the U.S., it is approved as an anesthetic under the *Food and Drugs Act* (Canada) and the U.S. *Food, Drug, and Cosmetic Act*. Once a drug is approved for use under these legislations, physicians may prescribe that drug "off-label" for uses that are not described in the product's monograph or that differ from those tested by the manufacturer and approved by Health Canada or the FDA, as applicable. Off-label treatments, KAP being an example, are a common practice among physicians. Additionally, KAP is gaining acceptance for treating depression both on an off-label basis and through the approval of esketamine (an isomer of ketamine) as a nasal spray for the treatment of major depression by the FDA in March 2020 and Health Canada in July 2020. See "*Risk Factors – Changes in Laws, Regulations and Guidelines*".

In addition to compliance with the CDSA and the U.S. federal *Controlled Substances Act* ("**CSA**"), Numinus operations complies with U.S. state controlled substances acts ("**State CSAs**"), which regulate the possession, use, sale, distribution, and manufacture of scheduled drugs which also form the basis of State and local enforcement. State CSAs have either adopted drug schedules identical or similar to the federal CSA or, in some instances, have incorporated the federal schedule by reference. Some states have also established a prescription drug monitoring or review program for the purposes of monitoring, analysis and education related to the prescription and dispensing of controlled substances. Numinus complies with all State CSAs in the jurisdictions where it operates. Further, Numinus facilities holding or administering controlled substances must be registered with the DEA to perform this activity. As such, medical professionals and the clinics in the U.S. Clinic Network, as applicable, are also required to have a DEA license to obtain and administer ketamine and/or may be required to obtain a similar license under State laws to handle or dispense controlled substances (a "**DEA License**"). To Numinus' knowledge, the clinics in the U.S. Clinic Network and any required healthcare professionals hold all required DEA Licenses. Furthermore, the Numinus has put in place policies designed to adhere to DEA requirements.

The State of Oregon legalized psychedelic mushrooms in November 2020 for therapeutic use supervised environments regulated by the Oregon Health Authority and other U.S. municipal jurisdictions have also effectively decriminalized, deprioritized or legalized the use of several psychedelic substances in recent years. However, such products continue to be illegal under the federal CSA. Numinus will not participate in these markets until and unless they are legalized at all levels of government or operations are conducted under a valid research license or other legal exemption. Numinus expects that additional legislation and/or ballot measures of a similar nature may be introduced in other jurisdictions in the coming years. We cannot comment on the regulatory framework in any such jurisdiction. Numinus will assess its options to conduct legal business in such jurisdictions as state or provincial, as applicable, and federal regulations are established.

---

<sup>2</sup> The Substance Abuse and Mental Health Administration

<sup>3</sup> World Health Organization, September 2021

### Psilocybin Research Market Segment

Numinus' legal cultivation and harvest of Psilocybe mushrooms is an initial step towards research and development of standardized cultivation, extraction and testing methods and exploring product formulations to support safe, evidence-based, accessible psychedelic-assisted psychotherapy in addition to building a sequenced spore library.

Numinus' psilocybe mushroom tea, Enfinitea, may be used for Numinus-led clinical trials initially, but may also provide the product to other companies conducting clinical trials using whole psilocybe mushrooms.

### Contract Research Organization (CRO) Service Market Segment

Through the acquisition of Novamind, Numinus now operates CCR, which provides clinical trial management services to third-party clients – including other psychedelics and biotech companies, as well as universities. These services include clinical trial participant recruitment, delivering the protocol and documenting the findings for clients, and are primarily completed at two research clinics located in Utah. There are more than 50 publicly traded companies related to the development or administration of psychedelic-like drugs in the U.S.<sup>4</sup> (January 2022), and more than 136,000 registered studies occurring in the U.S. (December 8, 2022)<sup>5</sup>

### Regulatory Compliance and Market Acceptance

Numinus is one of the few companies that has a controlled drug license that can assist companies focused on psychedelic therapies. As per regulatory requirements for any regulated products in Canada it will need to go through proper testing to follow Health Canada regulations in Canada and FDA regulations in the United States.

### **Economic Dependence & Changes to Contracts**

Numinus is not substantially dependent on any contract to sell the major part of its products or services or to purchase the major part of its required for goods, services or raw materials, or any franchise or licence or other agreement to use a patent, formula, trade secret, process or trade name. Nor does Numinus reasonably expect to be affected in the current financial year by renegotiation or termination of any contracts or sub-contracts.

### **Environmental Protections**

Numinus business does not have any material impact on the environmental and it does not expect that there will be any financial or operational effects as a result of environmental protection requirements on its capital expenditures, profit or loss, or its competitive position in the current fiscal year or in future years.

---

<sup>4</sup> As of January 2022. <https://jamanetwork.com/journals/jamapsychiatry/article-abstract/2787968#:~:text=As%20of%20this%20writing%2C%20there,at%20more%20than%20%241%20billion>

<sup>5</sup> <https://clinicaltrials.gov/ct2/resources/trends#RegisteredStudiesOverTime>

## Cycles

Medical, neurological and mental health treatments and patient services is neither cyclical nor seasonal. Rather, demand is based on medical need and this need is not a factor of season or markets. However, the business is subject to physician availability and the acceptance in the medical community of KAT and other psychedelic treatments as effective treatments for depression, PTSD, addiction, selected neurological conditions and other mental health conditions. Availability of insurance coverage for psychedelic treatments, combined with economic cycles may affect demand as many services are not covered under health insurance or government payor programs.

## Competitive Conditions

Numinus has a limited number of competitors in the psychedelics industry. These competitors offer a similar category of services and products as Numinus, being psychedelic substance research, testing, and therapy delivery. See below a description of Numinus' main competitors. The direct-to-consumer nature and capabilities of these competitors mean their operations are not materially limited to any specific geographical area.

| Name                                                    | Product Offering              | Market Capitalization           |
|---------------------------------------------------------|-------------------------------|---------------------------------|
| Mind Medicine Inc.<br>(NEO: MMED)                       | Drug development              | Over \$135 million              |
| Compass Pathways PLC<br>(NASDAQ: CMPS)                  | Drug development              | Over USD\$435 million           |
| Atai Life Sciences N.V.<br>(NASDAQ: ATAI)               | Drug development              | Over USD\$545 million           |
| Cybin Inc.<br>(NEO: CBYN)                               | Drug development              | Over \$91 million               |
| Field Trip Health & Wellness Ltd.<br>(TSXV: FTHW)       | Therapy delivery              | Over \$9 million                |
| Reunion Neuroscience Inc.<br>(NASDAQ: REUN., TSX: REUN) | Drug development              | Over USD\$19 million            |
| Awakn Life Sciences Corp.<br>(NEO: AWKN)                | Therapy delivery              | Over \$10 million               |
| Irwin Naturals<br>(CSE: IWIN)                           | Supplements; therapy delivery | Over \$4 million <sup>(1)</sup> |
| Filament Health Corp.<br>(NEO: FH)                      | Drug development              | Over \$9 million                |

Notes:

(1) Represents subordinate voting shares only.

Numinus believes that creating health solutions that include psychedelic substance development, in addition to therapy protocol development and therapy delivery models provide it with an advantage over certain of its competitors.

## Employees

On average, Numinus has approximately 300 employees over the year, who are responsible for assisting the management of Numinus and its day-to-day operations. Numinus relies heavily on

its senior management team. Operations could be impacted if one or more members of those management teams were to depart unless Numinus has in place sufficient safeguards.

## **Foreign Operations**

The U.S. Clinical Network segment is dependent upon foreign operations in the United States, specifically in the States of Utah and Arizona. 100% of that segment's revenues are derived from these locations, comprising approximately 46% of total consolidated revenues. Although Numinus operates in a heavily regulated environment in the United States, Numinus has no reason to believe that the demand for medical services will decline and security of its banking system is believed to be stable.

## **Lending**

Numinus does not, and did not during the most recent three fiscal years, have lending operations.

## **RISK FACTORS**

*You should carefully consider the risks described below, which are qualified in their entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this AIF, and all other information contained in this AIF. The risks and uncertainties described below are those we currently believe to be material, but they are not the only ones we face. If any of the following risks, or any other risks and uncertainties that we have not yet identified or that we currently consider not to be material, actually occur or become material risks, our business, prospects, financial condition, results of operations and cash flows and consequently the price of Common Shares could be materially and adversely affected. See "Forward-Looking Statements".*

## **Business Risks**

### Limited Operating History

Numinus has a limited operating history in its industry upon which its business and future prospects may be evaluated. Numinus will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its operating goals, under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that Numinus will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

In order for Numinus to meet future operating and debt service requirements, Numinus will need to be successful in its growing, marketing and sales efforts. Additionally, where Numinus experiences increased production and future sales, Numinus' current operational infrastructure may require changes to scale our business efficiently and effectively to keep pace with demand and achieve long-term profitability. If Numinus' products and services are not accepted by new customers, our operating results may be materially and adversely affected.

### Acquisitions & Collaborations

Numinus has in the past and may in the future seek to expand its business 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 management's attention away from other business concerns; entering markets in which we have limited or no direct experience; and potential loss of our key employees or key employees of the acquired companies or businesses. Numinus cannot provide assurance that any acquisition or collaboration will result in short-term or long-term benefits to it. We may incorrectly judge the value or worth of an acquired company or business. In addition, our future success depends in part on our ability to manage the rapid growth associated with some of these acquisitions and collaborations. We cannot provide assurance that we would be able to successfully combine our business with that of acquired businesses or manage a collaboration. Furthermore, the development or expansion of our business may require a substantial capital investment by Numinus.

### Public Health Crisis

Numinus' business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19.

COVID-19 caused a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada, the United States, Europe and Asia. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects have been lifted in many jurisdictions, the emergence of new variants of COVID-19 and resurgences of this and other illnesses may cause governments to implement public health measures or cause consumers to delay or not seek treatment. The potential and duration of the possible disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, Numinus cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Numinus is actively assessing and responding where possible to the potential impact of the COVID-19 on its business.

Such public health crises can result in volatility and disruptions in the supply and demand for cannabis and/or psychedelics products, global supply chains and financial markets, as well as declining trade and market sentiment, and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to Numinus of such public health crises also include volatility in the global capital markets that could negatively impact Numinus' ability to access capital, risks to employee health and safety, a slowdown or temporary suspension of operations impacted by an outbreak, health and safety measures of government and other regulatory bodies that could cause disruption to or closure of Numinus' operations, business interruptions to Numinus' customers impacting their ability to make timely payments, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest. COVID-19 could impact future expansions and other acquisitions of Numinus, especially across national and international borders. Numinus will need to take into consideration various impacts of COVID-19 on any potential location, including historical, current and trending COVID-19 health community data, and public health and safety measures implemented by each locations' government agencies. The extent to which COVID-19 or any other public health emergency or pandemic will or may impact Numinus is uncertain and these factors are beyond Numinus' control; however, it is possible that COVID-19 may have a material adverse effect on Numinus' business, results of operations and financial condition.

### Managing Growth

In order to manage growth and change in strategy effectively, Numinus must (a) maintain adequate systems to meet future customer demands; (b) expand sales and marketing, distribution capabilities and administrative functions; (c) expand the skills and capabilities of its current management team; and (d) attract and retain qualified employees. While it intends to focus on managing its costs and expenses over the long term, Numinus expects to invest to support its growth and may have additional unexpected costs. It may not be able to expand quickly enough to exploit potential market opportunities.

### Retention and Acquisition of Skilled Personnel

The loss of any member of Numinus' team, or of its key individuals or qualified person in charge, could have a material adverse effect on its business and results of operations. In addition, an inability to hire, or the increased costs of new personnel, including members of executive management, could have a material adverse effect on Numinus' business and operating results. At present and for the near future, Numinus will depend upon a relatively small number of employees to develop, market, sell and support its products. The expansion of marketing and sales of its products will require Numinus to find, hire and retain additional capable employees who can understand, explain, market and sell its products. There is intense competition for capable personnel in all of these areas and Numinus may not be successful in attracting, training, integrating, motivating, or retaining new personnel, vendors, or subcontractors for these required functions. New employees often require significant training and, in many cases, take significant time before they achieve full productivity. As a result, Numinus may incur significant costs to attract and retain employees, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards, and may lose new employees to its competitors or other companies before it realizes the benefit of its investment in recruiting and training them. In addition, if and when Numinus moves into new jurisdictions, it will need to attract and recruit skilled employees in those areas.

### Intellectual Property

Failure to obtain or register trademarks used or proposed to be used in our business could require Numinus to rebrand, resulting in a material adverse impact on its business. If Numinus is unable to register or, if registered, maintain effective patent rights for its proprietary products, Numinus may not be able to effectively compete in the market. If Numinus is not able to protect its proprietary information and know-how, such proprietary information may be used by others to compete against Numinus. Numinus 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 Numinus' development and commercialization efforts.

### Legal Proceedings

From time to time, Numinus may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. Numinus will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes

in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on Numinus' financial results.

### Regulatory Compliance Risks

Achievement of Numinus' business objectives is subject to compliance with regulatory requirements enacted and enforced by governmental authorities and obtaining and maintaining all required regulatory approvals. Numinus may incur costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting, licence or approval requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Numinus may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Numinus cannot predict the timeline required to secure all appropriate regulatory approvals or licences for the intended business or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failing to obtain, required regulatory approvals or licences may significantly delay or impact the research and development activities and could have a material adverse effect on the business, results of operations and financial condition of Numinus. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to Numinus' operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of Numinus.

The impact of the various legislative regimes, on Numinus' business plans and operations is uncertain. There is no guarantee that the applicable legislation regulating Numinus' business activities will create or allow for the growth opportunities Numinus currently anticipates.

### Product Liability

As a distributor of products designed to be ingested or inhaled by humans, Numinus faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused damages, loss or injury. In addition, the sale of Numinus' products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. A product liability claim or regulatory action against Numinus could result in increased costs, could adversely affect Numinus' reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of Numinus. There can be no assurances that Numinus will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all.

### Distribution/Supply Chain Interruption

Numinus is susceptible to risks relating to distributor and supply chain interruptions. Distribution in Canada is largely accomplished through independent contractors, therefore, an interruption (e.g., a labour strike) for any length of time affecting such independent contractors may have a significant impact on Numinus' ability to sell its products. Supply chain interruptions, including a production or inventory disruption, could impact product quality and availability. Inherent to

producing products is a potential for shortages or surpluses in future years if demand and supply are materially different from long-term forecasts. Numinus monitors category trends and regularly reviews maturing inventory levels.

### Product Recalls

Manufacturers, producers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labelling disclosure. If any of Numinus' products are recalled due to an alleged product defect or for any other reason, Numinus could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. Numinus may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention.

Although Numinus' suppliers have detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if Numinus is subject to recall, the image of Numinus could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for Numinus' products and could have a material adverse effect on the results of operations and financial condition of Numinus. Additionally, product recalls may lead to increased scrutiny of Numinus' operations by regulatory agencies, requiring further management attention, potential loss of applicable licenses and potential legal fees and other expenses.

### Risks Regarding Foreign Operations

The U.S. Clinic Network operates in Utah and Arizona and may, in future expand to other U.S. jurisdictions. As a result, there is a risk that regulatory changes as well as economic or political uncertainty could require that Numinus re-evaluate its business prospects and could negatively impact upon its ability to conduct its research initiatives. Numinus is not dependent on any current or future foreign operations, as they are not core to the business of Numinus.

### Insurance Coverage

Insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which Numinus is exposed. Moreover, there can be no guarantee that Numinus will be able to obtain adequate insurance coverage in the future or obtain or maintain liability insurance on acceptable terms or with adequate coverage against all potential liabilities.

### Conflicts of Interest

Some of Numinus' directors and officers may act as directors and/or officers of other health and wellness companies. As such, such directors and officers may be faced with conflicts of interests when evaluating alternative health and wellness opportunities. In addition, Numinus' directors and officers may prioritize the business affairs of another company over the affairs of Numinus.

### Key Personnel

Numinus has a small management team and the loss of any key individual could affect Numinus' business. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of Numinus.

### Cyber-Attacks

Numinus' handles sensitive personal information, personal health information and confidential proprietary information and, as such, its operations depend, in part, on how well it protects its information technology systems, networks, equipment and software from damages from a number of threats. Events such as cable cuts, power loss, hacking, computer viruses and theft could result in information system failures, delays and/or increase in capital expenses for Numinus. While Numinus implements protective measures to reduce the risk of and detect cyber incidents, cyber-attacks are becoming more sophisticated and frequent, and the techniques used in such attacks change rapidly; the development of Numinus' business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by regulatory bodies.

## **Financial and Accounting Risks**

### Reliance on Forward-Looking Statements

Potential 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.

### Failure to Achieve Stated Goals or Execute Strategies

From time to time, Numinus may announce the timing of certain events it expects to occur or possible outcomes of its business strategy. 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 Numinus' control, having the effect of delaying the publicly announced timeline. Numinus 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.

### Access to Capital

In executing its business plan, Numinus makes, and will continue to make, substantial investments and other expenditures related to acquisitions, research and development and marketing initiatives. Numinus has financed these expenditures through offerings of its equity securities and debt financing. Numinus will have further capital requirements and other expenditures as it proceeds to expand its business or take advantage of opportunities for acquisitions or other business opportunities that may be presented to it. Numinus may incur major unanticipated liabilities or expenses.

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 Numinus' corporate goals, the results of its operations, the ability to obtain future 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, Numinus may be required to delay, reduce or eliminate certain operations, or obtain funds on less favourable terms than Numinus would otherwise accept. To the extent that external sources of capital become limited or unavailable or available on onerous terms, Numinus' assets and its ability to carry out its business plans may be impaired, and Numinus' assets, liabilities, business, financial condition and results of operations may be materially or adversely affected.

#### Estimates or Judgments Relating to Critical Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Numinus bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the notes to its financial statements, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. Numinus' operating results may be adversely affected if the assumptions change or if actual circumstances differ from those in the assumptions, which could cause Numinus' operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the price of the Common Shares. Significant assumptions and estimates used in preparing the financial statements include those related to the credit quality of accounts receivable, income tax credits receivable, share based payments, impairment of non-financial assets, fair value of biological assets, as well as revenue and cost recognition.

#### Inadequate Internal Controls

If Numinus fails to maintain an effective system of internal controls, Numinus might not be able to report its financial results accurately or prevent misstatement; and in that case, Numinus' shareholders could lose confidence in its financial reporting, which would harm its business and could negatively impact the value of its shares. While Numinus 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 Numinus will always successfully detect misstatements or implement necessary improvements in a timely fashion. In connection with its financials for the year ended August 31, 2022, Numinus' auditors identified two material weaknesses in internal controls which are described in the *Management's Discussion and Analysis* for that period available on SEDAR.

#### Speculative Investment with No History of Payment of Cash Dividends

An investment in the securities of Numinus carries a high degree of risk and should be considered as a speculative investment. Numinus has limited cash reserves, a limited operating history, and has never declared or paid cash dividends on the Common Shares. Numinus intends to retain future earnings to finance the operation, development and expansion of the business. Numinus does not anticipate paying cash dividends on the Common Shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of the Board of Directors and

will depend on Numinus' financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the Board of Directors considers relevant.

#### Reporting Issuer Status

As a reporting issuer, Numinus is subject to reporting requirements under applicable Securities Laws and TSX policies. Numinus Bioscience is working with its legal, accounting and financial advisors to identify those areas in which changes should be made to Numinus Bioscience's financial management control systems to manage its obligations as a subsidiary of a public company. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on existing systems and resources. Among other things, Numinus is required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm Numinus' business and results of operations. Numinus may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses. Management of Numinus Bioscience expects that being a reporting issuer will make it more expensive to maintain director and officer liability insurance. This factor could also make it more difficult for Numinus to retain qualified directors and executive officers.

#### Analyst Coverage

The trading market for the Common Shares will, to some extent, depend on the research and reports that securities or industry analysts publish about Numinus or its business. Numinus will not have any control over these analysts. If one or more of the analysts who covers Numinus should downgrade the Common Shares or change their opinion of Numinus' business prospects, the price of the Common Shares would likely decline. If one or more of these analysts ceases coverage of Numinus or fails to regularly publish reports on Numinus, Numinus could lose visibility in the financial markets, which could cause the share price or trading volume of the Common Share to decline.

#### Unpredictability and Volatility of the Common Shares

The securities market in Canada has recently experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of Numinus. The value of the Common Shares distributed hereunder will be affected by such volatility. The volatility of the Common Shares may affect the ability of holders to sell the Common Shares at an advantageous price or at all. Market price fluctuations in the Common Shares may be adversely affected by a variety of factors, including fluctuations in Numinus' operating and financial results, downward revisions in securities analysts' estimates or ratings, sales of additional Common Shares, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by Numinus or its competitors, along with a variety of additional factors, including, without limitation, those set forth under the heading "Forward-Looking Information". In addition, the

market price for securities on stock markets, including the TSX, is subject to significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may materially adversely affect the market price of Numinus. Additionally, the value of the Common Shares is subject to market value fluctuations based upon factors that influence Numinus' operations, such as legislative or regulatory developments, competition, technological change and changes in interest rates or foreign exchange rates. There can be no assurance that the market price of the Common Shares will not experience significant fluctuations in the future, including fluctuations that are unrelated to Numinus' performance.

#### Substantial Number of Authorized but Unissued Shares

Numinus has an unlimited number of Common Shares that may be issued by the Board of Directors without further action or approval of Numinus' shareholders. While the Board of Directors is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of Numinus' shareholders.

#### Liquidity of the Common Shares

The listing of the Common Shares on the TSX should not be taken as implying that there will be a liquid market for the Common Shares. Investors should be aware that the value of the Common Shares may be volatile. Investors may, on disposing of their Common Shares, realize less than their original investment, or may lose their entire investment. The Common Shares, therefore, may not be suitable as an investment.

The market price of the Common Shares may not reflect the underlying value of Numinus' net assets. The price at which the Common Shares will be traded, and the price at which investors may purchase and sell their Common Shares, will be influenced by a large number of factors, some specific to Numinus and its proposed operations, and some which may affect the sectors in which Numinus operates. Such factors could include the performance of Numinus' operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of Numinus, and general market and economic conditions.

#### Tax Issues

Income tax consequences in relation to the purchase and sale of Common Shares will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to purchasing any Common Shares.

#### Interest Rate & Credit Risk

Financial instruments that potentially subject Numinus to cash flow interest rate risk are those assets and liabilities with a variable interest rate. Currently, Numinus has no assets or liabilities with a variable interest rate. Financial assets and financial liabilities that bear interest at fixed rates are subject to fair value interest rate risk. Numinus is also exposed to credit risk on its cash and

account receivables. Numinus' cash is held on deposit with major banks in Canada and the United States, which Numinus believes lessens the degree of credit risk.

#### Potential Undisclosed Liabilities Associated with the RTO or the Novamind Transaction

Upon completion of the RTO and Novamind Transaction, Numinus Bioscience and Novamind and its affiliates each respectively became direct or in-direct wholly-owned subsidiaries of Numinus and each such company continues to have the liabilities that existed prior to completion of the aforementioned transactions. There may be liabilities of these entities that Numinus failed to discover or was unable to accurately assess or quantify in its due diligence.

#### **Risks Related to the Healthcare, Psychedelics & Wellness Industry**

The industry in which Numinus operates could subject us to comply with a myriad of other federal, provincial, state, and local laws and regulations, which could include, among others, laws and regulations relating to psychedelics, psychedelic-assisted psychotherapies and cannabis, personally identifiable information, wage and hour restrictions, health and safety matters, consumer protection and environmental matters. Numinus' business objectives are contingent upon, in part, compliance with regulatory requirements enacted by these governmental authorities and regulatory bodies and obtaining all regulatory approvals, where necessary, for the delivery of its services and the services delivered by those regulated professionals within its network. Numinus cannot predict the time required to secure all appropriate regulatory approvals for such services. Compliance with such laws and regulations may be costly and a failure to comply with such laws and regulations could result in fines, penalties, litigation and other liability that could materially adversely affect Numinus.

Numinus' business is and will continue to be regulated and applicable laws continue to change and develop. Regulatory compliance and the process of obtaining regulatory approvals can be costly and time-consuming. Further, Numinus cannot predict what kind of regulatory requirements its business will be subject to in the future. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of Numinus.

Furthermore, although the operations of Numinus are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail Numinus' ability to conduct its business. Amendments to current laws and regulations governing the importation, distribution, transportation and/or production of psychedelic compounds or other controlled substances, or more stringent implementation thereof could have a substantial adverse impact on Numinus. Local, provincial, state, and federal laws and enforcement policies concerning psychedelic-related conduct are changing rapidly and will continue to do so for the foreseeable future. Changes in applicable laws and regulations are unpredictable and could have a material adverse effect on Numinus. Changes in applicable laws or regulations could significantly diminish Numinus' prospects. Numinus has little or no control over potential changes to laws or regulations that may affect its business.

Additionally, governmental regulations affect taxes and levies, healthcare costs, energy usage and labor issues, all of which may have a direct or indirect effect on Numinus' business and its clients or suppliers. Changes in these laws or regulations, or the introduction of new laws or regulations, could increase the costs of doing business for Numinus, or its customers or suppliers, or restrict Numinus' actions, causing Numinus to be materially adversely affected.

### Risks Inherent in the Nature of the Clinic Industry

Changes in operating costs (including insurance), inability to obtain permits required to conduct Numinus' business, changes in health care laws and governmental regulations, and various other factors may significantly impact the ability of Numinus to continue to generate revenues. Certain significant expenditures, including legal fees, borrowing costs, maintenance costs, insurance costs and related charges, must be made to operate the U.S. and Canadian Clinic Networks, regardless of revenue. Similar factors may affect its research division and the provision of CMO services.

### General Healthcare Regulation

Healthcare service providers in Canada are subject to various governmental regulation and licensing requirements and, as a result, Numinus' businesses operate in an environment in which government regulations and funding play a key role. The level of government funding directly reflects government policy related to healthcare spending, and decisions can be made regarding such funding that are largely beyond the businesses' control. Any change in governmental regulation, delisting of services, and licensing requirements relating to healthcare services, the practice of healthcare services through a corporation, or their interpretation and application, could adversely affect the business, financial condition and results of operations of these business units. In addition, Numinus could incur significant costs while 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 Numinus.

Furthermore, the U.S. and Canadian Clinic Networks and the medical personnel working in them are subject to regulation by federal, state, provincial and other governmental authorities, including those related to the corporate practice of medicine and anti-kick back statutes. Numinus' business objectives are contingent, in part, upon its and its personnel's compliance with regulatory requirements enacted by such governmental authorities, and obtaining all regulatory approvals, where necessary, for the carrying on of business within the network. Any delays in obtaining, failure to obtain, or violations of regulatory approvals and requirements would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of Numinus.

Additionally, laws relating to 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 Numinus' reputation. If any such actions are instituted against Numinus, and Numinus is not successful in defending itself or asserting its rights, those actions could have a substantial impact on Numinus' business and results of operations, including the imposition of substantial fines or other sanctions.

### Confidentiality of Personal and Health Information

Numinus and its subsidiaries' employees and consultants have access, in the course of their duties, to personal information of clients of Numinus and specifically their medical histories. There can be no assurance that Numinus' existing policies, procedures and systems will be sufficient to

address the privacy concerns of existing and future clients whether or not such a breach of privacy were to have occurred as a result of Numinus' employees or arm's length third parties. If a client's privacy is violated, or if Numinus is found to have violated any law or regulation, it could be liable for damages or for criminal fines and/or penalties.

#### Reliance on Physicians and other Healthcare Professionals

Numinus relies heavily on the availability of physicians and other healthcare professionals to provide services at its facilities. If physicians and other healthcare professionals were unable or unwilling to provide these services in the future, this would cause interruptions in Numinus' business until these services are replaced. As such, vacancies and disabilities relating to Numinus' current medical staff may cause interruptions in our business and result in lower revenues. As we expand our operations, we may encounter difficulty in securing the necessary professional medical and skilled support staff to support our expanding operations. There is currently a shortage of certain medical physicians in Canada and the United States and this may affect Numinus' ability to hire physicians and other healthcare practitioners in adequate numbers to support its growth plans, which may adversely affect the business, financial condition and results of operations.

#### Changes in Laws, Regulations and Guidelines

The CDSA is Canada's federal drug control statute. Controlled substances are categorized into eight Schedules based upon their perceived danger. Schedule 1 substances are deemed to have the highest potential for abuse and carry the most severe penalties for violations – the severity of the penalties decreases for subsequent scheduled substances. Most psychedelics are Schedule 3 substances, including LSD, Psilocybin and Psilocin (magic mushrooms), Mescaline (peyote and San Pedro cactus), and DMT (found in many plants, but most commonly an ingredient in Ayahuasca). MDMA and Ketamine are both Schedule 1 substances although Ketamine can be legally prescribed by a medical doctor and treatment is delivered through a licensed practitioner to treat a specific medical condition such as depression and anxiety. The CDSA generally prohibits all uses of controlled substances unless an exemption is granted under Section 56 of the CDSA or the regulations allow otherwise, including through a clinical trial. The Canadian Minister of Health can grant exemptions under Section 56 of the CDSA to use controlled substances if it is deemed to be necessary for a medical or scientific purpose or is otherwise in the public interest. Since August 2020, federal Minister of Health, has granted approval to numerous Canadians to use Psilocybin in the therapeutic treatment of their end-of-life distress.

Health Canada's SAP was designed to allow Canadian's access to new, potentially life-saving medication before they are formally approved for routine use in health care. Historically, psychedelic medications have been ineligible for SAP applications. In January 2020, Health Canada revised the SAP to permit allow healthcare practitioners to make applications for use of controlled substances on behalf of specific patients or groups of patients on a forward looking basis access to MDMA, Psilocybin, DMT, and LSD for their patients, including for the purposes of psychedelic-assisted psychotherapy. Based on this expansion, Numinus feels further Section 56 exemptions could be an avenue for getting access to controlled substances like psychedelics to a broader scope of potential patients and that this may open up additional avenues for access once further clinical studies have been published.

Similarly in the United States, the FDA has granted Psilocybin therapy a breakthrough therapy designation to facilitate drug trials testing its efficacy for treatment resistant depression and major

depressive disorder. Additionally, the FDA has granted MDMA a breakthrough therapy designation to facilitate Phase 3 drug trials testing its efficacy for PTSD. If approved, these medications would provide a legal route to prescribe Psilocybin in the United States.

Despite the general prohibition on controlled substances, there are regulations that can allow authorized persons to possess, produce, sell, import/export, and transport-controlled substances. The *Food and Drug Regulations* give authorization to persons (including licensed dealers and those exempted under Section 56 of the CDSA) to have access to psychedelic controlled substances. Ketamine is also listed as a Schedule 1 drug under the CDSA; however, it is permitted for common use in accordance with its regulation as a narcotic under the Narcotic Control Regulations and is the only psychedelic permitted for use by this regulation. It is already legally available for medical use. These regulations provide a framework for expanding and monitoring the legal use of controlled substances in Canada as well as, importantly, issuing licenses to dealers such as Numinus' Dealer's License.

In the United States, Psilocybin and/or other psychedelic drugs such as Mescaline, DMT, and Ayahuasca are listed in Schedule I of the CSA. 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 affect Numinus' costs associated with conducting research and/or therapeutic uses of these substances in its business or in the production and sale of these substances under its Dealer License.

#### Risk Relating to the Violation of Controlled Substances Laws

Under the CDSA, Ketamine is currently a Schedule I drug and Psilocybin, Mescaline, DMT and Ayahuasca are currently a Schedule III drug. Under the CSA, Ketamine is currently a Schedule III drug and Psilocybin, Mescaline, DMT and Ayahuasca are currently a Schedule I drug. Numinus' operations are conducted in strict compliance with the laws and regulations regarding its activities with such substances. Numinus 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, could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings initiated by the government entities in the jurisdictions in which Numinus operates, private citizens or criminal charges. Any such violations could have an adverse effect on Numinus' operations. Further, there is no guarantee that psychedelic drugs or psychedelic inspired drugs will ever be approved as medicines in any jurisdiction in which Numinus operates.

### Risks Relating to the Licensing Process

Laws applicable to psychedelic drugs and compounds are constantly changing throughout the global psychedelic industry. The future business partnerships, contracting arrangements, and licensee agreements that Numinus may make may be subject to receiving regulatory certification or accreditation through Health Canada, or any other applicable regulatory authority or licensing body. Such licensing, certification or accreditation may include, but not be limited to: licenses issued under the CDSA, the Narcotic Control Regulations, GMP certification and ISO certification. Licensing requirements are stringent and there can be no guarantee that the regulatory authorities will issue, extend or renew any license. Failure to maintain a license or any failure to comply with the requirements of a license would have a material adverse impact on the business, financial condition and operating results of Numinus and could lead to a significant decline in the value of its securities.

### Risks Related to Prescribing Medication

Provincial colleges and state medical boards or other regulatory bodies could take disciplinary action against Numinus' physicians for excessive psychedelic prescriptions. Physician prescription patterns may be tracked and may be used to impose disciplinary action on physicians who prescribe psychedelics at a high rate. If any of Numinus' physicians are deemed to be prescribing psychedelics excessively, such physicians could face disciplinary action, including, revocation of the physician's license. Any disciplinary action or license revocation of physicians or affect the licensing of any professional corporation or similar vehicle which could result in the relevant clinic location either not having sufficient physicians to address patient needs or could result in the loss of approval for such professional corporation or similar vehicle and could adversely affect Numinus' business.

### Patient & Subject Acquisition

Numinus' success will depend, in part, on its ability to attract and retain patients within its clinic networks and research subjects for its research division. There are many factors which could impact Numinus' ability to attract and retain patients and subjects, including whether there will be continued growth in the aggregate number of patients selecting psychedelic therapy as a treatment option and general acceptance of psychedelic within the community and public. Numinus' failure to acquire and retain patients as clients and/or individuals as research subjects would have a material adverse effect on Numinus' business, operating results and financial condition.

### Negative Results from Trials or Other Studies

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 Numinus' 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.

### Unfavorable Publicity or Consumer Perception

Numinus believes the psychedelic industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of psychedelic medicines and therapies. Consumer perception may be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of psychedelic therapies.

There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the psychedelics market or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for Numinus' proposed services and the business, results of operations, financial condition, and cash flows of Numinus. Numinus' dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether accurate or with merit, could have a material adverse effect on Numinus, the demand for Numinus' proposed services, and the business, results of operations, financial condition and cash flows of Numinus. Further, adverse publicity reports or other media attention regarding the safety, efficacy, and quality of psychedelic therapies in general, or Numinus' proposed products and services specifically, or associating the consumption of psychedelic therapies with illness or other negative effects or events, could have such a material adverse effect. Such adverse publicity reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.

### Liabilities and Enforcement Complaints

Numinus' participation in the psychedelic industry may lead to litigation, formal or informal complaints, enforcement actions, and inquiries by various federal, provincial, or local governmental authorities. Litigation, complaints, and enforcement actions could consume considerable amounts of financial and other corporate resources, which could have an adverse effect on Numinus' future cash flows, earnings, results of operations and financial condition.

### The Psychedelic Industry Faces Significant Opposition

It is believed by many that large well-funded businesses may have strong economic opposition to the psychedelics industry. The pharmaceutical industry is well funded with a strong and experienced lobby that eclipses the funding of the psychedelics industry. Any inroads the pharmaceutical industry could make in halting or impeding the psychedelics industry could have a material adverse effect on Numinus.

### Lack of Referrals

Physicians may not refer patients to the U.S. or Canadian Clinic Networks. In addition, as the market grows, and general practitioners become more comfortable and knowledgeable about the psychedelic therapy industry and products available, they may choose to write prescriptions directly for their own patients rather than refer them to an outside clinic.

### Psychedelic Regulatory Risk

Numinus' income does not rely substantially on revenue from psychedelic therapy products and treatments as its Canadian and U.S. Clinic Networks provide other traditional medical, neurological and mental health and wellness services. Numinus also proposes to use certain of its available working capital (i) implementing an MDMA, Psilocybin compassionate access protocol, and (ii) developing an integrative mental health treatment model. Psychedelic therapy is a new and emerging industry with substantial existing regulations and uncertainty as to future regulations.

Further, success of the business strategy of Numinus depends in part on the legality of the use of psychedelics for the treatment of mental health conditions and the acceptance of such use in the medical community. The political environment surrounding the psychedelics industry in general can be volatile. As of the date of this AIF, Canada and the United States permit the use of Ketamine or a derivative thereof as a treatment for certain mental health conditions; however, the risk remains that a shift in the regulatory or political realm could occur and have a material impact on the Numinus' ability to successfully operate or grow its KAP business. There is no assurance Numinus will be able to derive meaningful revenue from its investment in psychedelic therapy development for Ketamine or other substances, or to pursue that business to the extent currently proposed or at all. There is no guarantee that the applicable legislation regulating the research and development of controlled substances will create or allow for the growth opportunities Numinus currently anticipates.

### **General**

Although management believes that the above risks fairly capture the material risks facing Numinus, the risks noted above do not necessarily comprise all those potentially faced by Numinus as it is impossible to foresee all possible risks. Although the Board of Directors will seek to minimize the impact of the risk factors, an investment in Numinus should only be made by investors able to sustain a total loss of their investment. Investors are strongly recommended to consult a person who specializes in investments of this nature before making any decision to invest.

## **DIVIDENDS AND DISTRIBUTIONS**

Numinus has not declared or paid dividends since incorporation and has no present intention to declare or pay any dividends in the foreseeable future. Dividends paid by Numinus would be subject to tax and, potentially, withholdings. Any decision to declare or pay dividends will be made by the Board of Directors based upon Numinus' earnings, financial requirements and other conditions existing at such future time.

## **DESCRIPTION OF CAPITAL STRUCTURE**

### **Common Shares**

As at the date hereof, Numinus' authorized capital consists of an unlimited number of Common Shares of which 262,749,836 Common Shares are issued and outstanding.

The holders of Common Shares are entitled to dividends, if, as and when declared by the Board of Directors, to receive notice of and attend all meetings of shareholders, to one vote per Common Share at such meeting and, upon liquidation, to rateably receive such assets as are distributable

to the holders of the Common Shares. There are no conversion or exchange rights attaching to Common Shares, nor are there any sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or any other material restrictions, nor are there any provisions requiring a shareholder to contribute additional capital. All Common Shares outstanding are fully paid and non-assessable.

## **Warrants**

As at the date hereof, Numinus has 38,724,579 Warrants outstanding.

## **Options**

As at the date hereof, Numinus has 10,866,178 Options outstanding.

## **MARKET FOR SECURITIES**

### **Trading Price and Volume**

The Common Shares are listed on the TSX under the trading symbol "NUMI".

The Common Shares were halted from trading on the TSX.V on April 24, 2019 and reinstated for trading on the TSX.V as a Tier 2 issuer on May 20, 2020 after completion of the RTO.

On June 18, 2021, Numinus graduated to Tier 1 on the TSX.V, and on December 14, 2021, Numinus received approval to begin trading on the TSX, effective December 16, 2021.

The following tables set forth information relating to the trading of the Common Shares for the dates indicated.

| <b>Price Range</b><br><b>TSX.V – September 2021 to December 16, 2021</b><br><b>TSX – December 16, 2021 to present</b> |                    |                   |                     |
|-----------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|---------------------|
| <b>Month</b>                                                                                                          | <b>High<br/>\$</b> | <b>Low<br/>\$</b> | <b>Total Volume</b> |
| August 2022                                                                                                           | 0.375              | 0.27              | 10,006,700          |
| July 2022                                                                                                             | 0.29               | 0.225             | 3,804,874           |
| June 2022                                                                                                             | 0.39               | 0.225             | 6,830,886           |
| May 2022                                                                                                              | 0.46               | 0.31              | 6,248,029           |
| April 2022                                                                                                            | 0.62               | 0.425             | 16,169,749          |
| March 2022                                                                                                            | 0.56               | 0.44              | 8,914,780           |
| February 2022                                                                                                         | 0.71               | 0.465             | 6,559,612           |
| January 2022                                                                                                          | 0.76               | 0.54              | 11,583,282          |
| December 2021                                                                                                         | 0.68               | 0.48              | 9,625,935           |
| November 2021                                                                                                         | 0.79               | 0.58              | 8,935,450           |
| October 2021                                                                                                          | 0.79               | 0.66              | 6,514,070           |
| September 2021                                                                                                        | 0.90               | 0.69              | 7,129,217           |

On September 21, 2020, the September Warrants were listed for trading under the trading symbol

"NUMI.WT". The following tables set forth information relating to the trading of the September Warrants for the dates indicated.

| Price Range<br>TSX.V – September 2021 to December 16, 2021<br>TSX – December 16, 2021 to present |            |           |              |
|--------------------------------------------------------------------------------------------------|------------|-----------|--------------|
| Month                                                                                            | High<br>\$ | Low<br>\$ | Total Volume |
| August 2022                                                                                      | 0.07       | 0.005     | 296,747      |
| July 2022                                                                                        | 0.04       | 0.005     | 17,530       |
| June 2022                                                                                        | 0.065      | 0.01      | 104,100      |
| May 2022                                                                                         | 0.11       | 0.01      | 178,101      |
| April 2022                                                                                       | 0.28       | 0.085     | 217,467      |
| March 2022                                                                                       | 0.20       | 0.10      | 236,600      |
| February 2022                                                                                    | 0.28       | 0.15      | 113,058      |
| January 2022                                                                                     | 0.43       | 0.20      | 328,926      |
| December 2021                                                                                    | 0.27       | 0.18      | 131,230      |
| November 2021                                                                                    | 0.43       | 0.25      | 132,537      |
| October 2021                                                                                     | 0.45       | 0.31      | 55,627       |
| September 2021                                                                                   | 0.53       | 0.40      | 248,213      |

On January 25, 2021, the December Warrants were listed for trading under the trading symbol "NUMI.WS", which was subsequently changed to "NUMI.WT.B" when Numinus' listing was upgraded to the TSX. The following tables set forth information relating to the trading of the December Warrants for the dates indicated.

| Price Range<br>TSX.V – September 2021 to December 16, 2021<br>TSX – December 16, 2021 to present |            |           |              |
|--------------------------------------------------------------------------------------------------|------------|-----------|--------------|
| Month                                                                                            | High<br>\$ | Low<br>\$ | Total Volume |
| August 2022                                                                                      | 0.025      | 0.01      | 37,000       |
| July 2022                                                                                        | 0.025      | 0.015     | 20,000       |
| June 2022                                                                                        | 0.025      | 0.01      | 25,000       |
| May 2022                                                                                         | 0.03       | 0.01      | 344,610      |
| April 2022                                                                                       | 0.12       | 0.025     | 293,300      |
| March 2022                                                                                       | 0.11       | 0.03      | 102,591      |
| February 2022                                                                                    | 0.19       | 0.06      | 210,248      |
| January 2022                                                                                     | 0.20       | 0.115     | 391,637      |
| December 2021                                                                                    | 0.185      | 0.10      | 376,475      |
| November 2021                                                                                    | 0.18       | 0.08      | 329,900      |
| October 2021                                                                                     | 0.19       | 0.12      | 351,953      |
| September 2021                                                                                   | 0.275      | 0.15      | 99,783       |

On April 27, 2021, the March Warrants were listed for trading under the trading symbol "NUMI.WT.C". The following tables set forth information relating to the trading of the March Warrants on the TSX for the dates indicated.

| Price Range    |         |        |              |
|----------------|---------|--------|--------------|
| Month          | High \$ | Low \$ | Total Volume |
| August 2022    | 0.025   | 0.01   | 159,500      |
| July 2022      | 0.02    | 0.01   | 86,000       |
| June 2022      | 0.025   | 0.015  | 28,500       |
| May 2022       | 0.045   | 0.015  | 457,465      |
| April 2022     | 0.12    | 0.05   | 276,300      |
| March 2022     | 0.06    | 0.035  | 161,539      |
| February 2022  | 0.065   | 0.03   | 278,100      |
| January 2022   | 0.13    | 0.055  | 513,038      |
| December 2021  | 0.08    | 0.04   | 377,450      |
| November 2021  | 0.115   | 0.08   | 173,061      |
| October 2021   | 0.125   | 0.08   | 193,556      |
| September 2021 | 0.155   | 0.12   | 412,209      |

## Prior Sales

Within the most recently completed financial year and subsequent thereto, Numinus issued the following securities:

| Issue Date | Number of Securities | Type of Security       | Issue Price per Security | Aggregate Issue Price | Nature of consideration             |
|------------|----------------------|------------------------|--------------------------|-----------------------|-------------------------------------|
| Aug 31/22  | 30,000               | Options                | -                        | -                     | Incentive stock options             |
| Aug. 18/22 | 1,121,654            | Restricted Share Units | \$0.32                   | \$358,929             | Issuance of Restricted Share Units  |
| Aug. 10/22 | 880                  | Common Shares          | \$0.35                   | 308                   | Cash for Warrant exercise           |
| Aug. 8/22  | 55,147               | Common Shares          | \$1.51                   | \$83,272              | Retention shares for Mindspace      |
| Aug. 4/22  | 660,000              | Options                | -                        | -                     | Incentive stock options             |
| Aug. 1/22  | 30,000               | Restricted Share Units | \$0.29                   | \$8,700               | Issuance of Restricted Share Units  |
| Jul. 13/22 | 2,500,000            | Restricted Share Units | \$0.23                   | \$575,000             | Issuance of Restricted Share Units  |
| Jul. 13/22 | 3,612,000            | Common Shares          | 0                        | \$430                 |                                     |
| Jul. 11/22 | 444,444              | Common Shares          | \$0.245                  | \$108,888             | Shares issued for advisory services |
| Jun. 10/22 | 2,810,684            | Options                | -                        | -                     | Incentive stock options             |

| Issue Date | Number of Securities | Type of Security       | Issue Price per Security | Aggregate Issue Price | Nature of consideration                                 |
|------------|----------------------|------------------------|--------------------------|-----------------------|---------------------------------------------------------|
| Jun. 10/22 | 43,474,659           | Common Shares          | \$0.365                  | \$15,868,250          | Shares issued on acquisition of Novamind                |
| May 18/22  | 37,000               | Common Shares          | \$0.35                   | \$12,950              | Cash for Warrant exercise                               |
| May 15/22  | 2,000,000            | Common Shares          | -                        | -                     | Issuance of compensation shares                         |
| May 15/22  | 1,103,13             | Restricted Share Units | \$0.36                   | \$397,265             | Issuance of Restricted Share Units                      |
| May 11/22  | 25,000               | Common Shares          | \$0.25                   | \$6,250               | Cash for Option exercise                                |
| May 11/22  | 125,000              | Common Shares          | \$0.25                   | \$31,250              | Cash for Option exercise                                |
| May 9/22   | 55,147               | Common Shares          | \$1.51                   | \$83,272              | Retention shares for Mindspace                          |
| May 9/22   | 2,750                | Common Shares          | \$0.35                   | 963                   | Cash for Warrant exercise                               |
| May 6/22   | 8,250                | Common Shares          | \$0.35                   | \$2,888               | Cash for Warrant exercise                               |
| May 6/22   | 25,000               | Common Shares          | \$0.25                   | \$6,250               | Cash for Option exercise                                |
| Apr. 21/22 | 500,000              | Common Shares          | \$0.16                   | \$80,000              | Cash for Option exercise                                |
| Apr. 6/22  | 52,000               | Common Shares          | \$0.35                   | \$18,200              | Cash for Warrant exercise                               |
| Apr. 5/22  | 108,000              | Common Shares          | \$0.35                   | \$37,800              | Cash for Warrant exercise                               |
| Apr. 1/22  | 43,000               | Common Shares          | \$0.35                   | \$15,050              | Cash for Warrant exercise                               |
| Mar. 31/22 | 170,000              | Options <sup>(1)</sup> | -                        | -                     | Incentive stock options                                 |
| Mar. 29/22 | 552,000              | Common Shares          | \$0.16                   | \$88,320              | Cash for Option exercise                                |
| Mar. 25/22 | 21,500               | Common Shares          | \$0.35                   | \$7,525               | Cash for Warrant exercise                               |
| Mar. 22/22 | 225,000              | Common Shares          | \$0.16                   | \$36,000              | Cash for Option exercise                                |
| Mar. 18/22 | 408,712              | Common Shares          | \$0.45                   | \$183,920             | Performance based issuance for Mindspace                |
| Mar. 17/22 | 18,000               | Common Shares          | \$0.35                   | \$6,300               | Cash for Warrant exercise                               |
| Mar. 3/22  | 2,500                | Common Shares          | \$0.35                   | \$875                 | Cash for Warrant exercise                               |
| Feb. 28/22 | 907,500              | Options <sup>(1)</sup> | -                        | -                     | Incentive stock options                                 |
| Feb. 17/22 | 225,000              | Common Shares          | \$0.16                   | \$36,000              | Cash for Option exercise                                |
| Feb. 8/22  | 55,147               | Common Shares          | \$1.51                   | \$83,272              | Retention shares for Mindspace                          |
| Feb. 8/22  | 151,515              | Common Shares          | \$0.67                   | \$101,515             | Retention shares for Mindspace                          |
| Feb. 7/22  | 68,000               | Common Shares          | \$0.35                   | \$23,800              | Cash for Warrant exercise                               |
| Jan. 21/22 | 24,500               | Common Shares          | \$0.35                   | \$8,575               | Cash for Warrant exercise                               |
| Jan. 21/22 | 10,000               | Common Shares          | \$0.50                   | \$5,000               | Cash for Warrant exercise                               |
| Jan. 4/22  | 2,000,000            | Common Shares          | \$0.61                   | \$1,220,000           | Settlement agreement with former Chief Strategy Officer |
| Dec. 31/21 | 797,500              | Options <sup>(1)</sup> | -                        | -                     | Incentive stock options                                 |
| Dec. 20/21 | 25,000               | Common Shares          | \$0.25                   | \$6,250               | Cash for Option exercise                                |
| Dec. 16/21 | 100,000              | Common Shares          | \$0.25                   | \$25,000              | Cash for Option exercise                                |
| Nov. 23/21 | 25,000               | Common Shares          | \$0.25                   | \$6,250               | Cash for Option exercise                                |
| Nov. 18/21 | 25,000               | Common Shares          | \$0.255                  | \$6,375               | Cash for Option exercise                                |

| Issue Date  | Number of Securities | Type of Security | Issue Price per Security | Aggregate Issue Price | Nature of consideration                       |
|-------------|----------------------|------------------|--------------------------|-----------------------|-----------------------------------------------|
| Nov. 18/21  | 50,000               | Common Shares    | \$0.25                   | \$12,500              | Cash for Option exercise                      |
| Nov. 12/21  | 127,480              | Common Shares    | \$0.75                   | \$95,610              | Cash for Warrant exercise                     |
| Nov. 8/21   | 55,147               | Common Shares    | \$1.51                   | \$83,272              | Retention shares for Mindspace                |
| Nov. 5/21   | 53,000               | Common Shares    | \$0.75                   | \$39,750              | Cash for Warrant exercise                     |
| Oct. 28/21  | 20,000               | Common Shares    | \$0.48                   | \$9,600               | Cash for Warrant exercise                     |
| Oct. 26/21  | 16,800               | Common Shares    | \$0.35                   | \$5,880               | Cash for Warrant exercise                     |
| Oct. 4/21   | 15,000               | Common Shares    | \$0.75                   | \$11,250              | Cash for Warrant exercise                     |
| Sept. 27/21 | 16,500               | Common Shares    | \$0.35                   | \$5,775               | Cash for Warrant exercise                     |
| Sept. 22/21 | 64,000               | Common Shares    | \$0.50                   | \$32,000              | Cash for Warrant exercise                     |
| Sept. 22/21 | 206,228              | Common Shares    | \$0.83                   | \$171,169             | Partial consideration for the NCT acquisition |
| Sept. 10/21 | 31,000               | Common Shares    | \$0.35                   | \$10,850              | Cash for Warrant exercise                     |

Notes:

- (1) The Options have a term of two years and an exercise price of \$0.53.

### ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Certain securities of Numinus (the "**Escrowed Securities**") were subject to escrow restrictions pursuant to a value security escrow agreement dated May 15, 2020 among Numinus, Odyssey Trust and certain shareholders of Numinus in accordance with TSX.V Policy 5.4 – *Escrow, Vendor and Resale Restrictions*. The initial number of Escrowed Securities was 26,700,442 Common Shares, 257,175 Warrants and 562,500 Options. Upon Numinus' graduation from Tier 2 to Tier 1 of the TSX.V, the securities were then subject to a Tier 1 release. Accordingly, as of Numinus' graduation to Tier 1, the number of securities remaining in escrow were 8,900,142 Common Shares, 85,725 Warrants and 112,500 Options, all of which were released from escrow as of November 15, 2021.

### DIRECTORS AND OFFICERS

#### Name, Occupation and Security Holding

The following table sets out, as at the date hereof, for each of the directors and executive officers of Numinus, the person's name, province and country of residence, their respective positions and offices held, the date on which the person became a director, his or her principal occupation and previously held positions for the last five years, and the number and percentage of Common Shares beneficially owned, controlled or directed, directly or indirectly. Our directors are expected to hold office until our next annual meeting of shareholders. Our directors are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of shareholders.

| Name,<br>Municipality of<br>Residence and<br>Present Office Held                                                    | Current Principal<br>Occupation                                                                                             | Period(s) during which<br>each director or Officer<br>has served as a director or<br>officer | Number and<br>Percent of Issued<br>Shares Held Directly or<br>Indirectly as at the Date of<br>this AIF <sup>(5)</sup> |         |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|---------|
| <b>Payton Nyquvest</b><br><i>Director, President, Chief<br/>Executive Officer</i><br>North Vancouver, BC            | President and Chief<br>Executive Officer                                                                                    | Since May 15, 2020                                                                           | 8,316,148 <sup>(6)</sup>                                                                                              | 3.17%   |
| <b>John Fong</b><br><i>Chief Financial Officer and<br/>Corporate Secretary</i><br>Vancouver, BC, Canada             | Chief Financial Officer<br>and Corporate Secretary                                                                          | Since March 1, 2020                                                                          | 760,000 <sup>(7)</sup>                                                                                                | 0.29%   |
| <b>Edwin Garner</b> <sup>(1)(3)</sup><br><i>Director</i><br>Nanaimo, BC, Canada                                     | Chair of the Commercial<br>Division, Vancouver<br>Island Real Estate Board<br>and licensed commercial<br>real estate broker | Since May 15, 2020                                                                           | 29,006 <sup>(8)</sup>                                                                                                 | 0.01%   |
| <b>Michael Tan</b><br><i>Director, President and Chief<br/>Operating Officer</i><br>Nanaimo, BC, Canada             | Chief Operating Officer                                                                                                     | Since May 15, 2020                                                                           | 2,400,291 <sup>(9)</sup>                                                                                              | 0.91%   |
| <b>Larry Timlick</b> <sup>(1)(2)(3)</sup><br><i>Director</i><br>West Vancouver, BC, Canada                          | President, Triplet<br>Management                                                                                            | Since January 28, 2019                                                                       | 85,740 <sup>(10)</sup>                                                                                                | 0.03%   |
| <b>Allen Morishita</b> <sup>(1)(3)(4)</sup><br><i>Director</i><br>North Vancouver, BC, Canada                       | President of Kyly<br>Investment Corp. and<br>Secretary/Treasurer of<br>Morquest Trading<br>Corporation                      | Since March 9, 2012                                                                          | 1,179,750 <sup>(11)</sup>                                                                                             | 0.45%   |
| <b>Reid Robison</b> <sup>(12)</sup><br>Chief Clinical Officer<br>Salt Lake, UT, USA                                 | Chief Clinical Officer of<br>Numinus                                                                                        | Since June 10, 2022                                                                          | 1,084,650                                                                                                             | 0.41%   |
| <b>Paul Thielking</b> <sup>(13)</sup><br>Chief Science Officer<br>Salt Lake, UT, USA                                | Chief Science Officer of<br>Numinus                                                                                         | Since June 10, 2022                                                                          | Nil                                                                                                                   | 0%      |
| <b>Jason Lapensee</b> <sup>(14)</sup><br>Senior Vice President, Clinic<br>Operations<br>Burlington, ON, Canada      | Senior Vice President,<br>Clinic Operations                                                                                 | Since May 10, 2021                                                                           | 10,000                                                                                                                | < 0.01% |
| <b>Evan Lewis</b> <sup>(15)</sup><br>Vice President, Psychedelic<br>Neurology<br>Toronto, ON, Canada                | Vice President,<br>Psychedelic Neurology                                                                                    | Since July 15, 2021                                                                          | 1,552,379                                                                                                             | 0.59%   |
| <b>Neil Barclay</b> <sup>(16)</sup><br>Vice President, Product and<br>Protocol Development<br>Vancouver, BC, Canada | Vice President, Product<br>and Protocol<br>Development                                                                      | Since May 1, 2022                                                                            | Nil                                                                                                                   | 0%      |

| Name,<br>Municipality of<br>Residence and<br>Present Office Held                                                                              | Current Principal<br>Occupation                                                    | Period(s) during which<br>each director or Officer<br>has served as a director or<br>officer | Number and<br>Percent of Issued<br>Shares Held Directly or<br>Indirectly as at the Date of<br>this AIF <sup>(5)</sup> |       |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------|
| <b>Joe Flanders</b> <sup>(17)</sup><br>Vice President, Psychology<br>Montreal, QC, Canada                                                     | Vice President,<br>Psychology                                                      | Since February 8, 2021                                                                       | 51,838                                                                                                                | 0.02% |
| <b>Danielle Hinan</b> <sup>(18)</sup><br>Vice President, Marketing<br>Niagara, ON, Canada                                                     | Vice President,<br>Marketing                                                       | Since November 10, 2021                                                                      | Nil                                                                                                                   | 0%    |
| <b>Lea Bottoni</b> <sup>(20)</sup><br>Vice President, People &<br>Culture<br>Kingston, ON, Canada                                             | Vice President, People &<br>Culture                                                | Since June 28, 2021                                                                          | Nil                                                                                                                   | 0%    |
| <b>Sharan Sidhu</b> <sup>(21)</sup><br>Vice President, Scientific<br>Research, Innovation and<br>Laboratory Operations<br>Nanaimo, BC, Canada | Vice President, Scientific<br>Research, Innovation<br>and Laboratory<br>Operations | Since August 10, 2020                                                                        | Nil                                                                                                                   | 0%    |
|                                                                                                                                               |                                                                                    |                                                                                              | 15,469,802                                                                                                            | 5.89% |

(1) Audit Committee member.

(2) Audit Committee Chair.

(3) Compensation Committee member.

(4) Compensation Committee Chair.

(5) Based on 262,749,836 Common Shares issued and outstanding as of the date of this AIF.

(6) In addition, Mr. Nyquvest holds 100,000 Options and 133,000 Warrants.

(7) Mr. Fong holds 700,000 Options.

(8) In addition, Mr. Garner holds 612,500 Options.

(9) Mr. Tan holds 700,000 Options.

(10) In addition, Mr. Timlick holds 190,000 Options.

(11) In addition, Mr. Morishita holds 283,500 Warrants.

(12) Mr. Robinson holds 303,947 options.

(13) Mr. Thielking holds 84,000 options.

(14) Mr. Lapensee holds 150,000 options.

(15) Mr. Lewis holds 150,000 options.

(16) Mr. Barclay holds 150,000 options.

(17) Mr. Flanders holds 85,000 options.

(18) Ms. Hinan holds 150,000 options.

(19) Mrs. Chiu holds 150,000 options.

(20) Ms. Bottoni holds 150,000 options.

(21) Ms. Sidhu holds 150,000 options.

## Biographies

### Payton Nyquvest, Director, President and Chief Executive Officer

Former Director, VP and Head of Sales at Mackie Research Capital Corporation (formerly Jordan Capital Markets), one of Canada's largest independent brokerage firms with a focus on public health and human advancement. 15 years' experience in investment banking, has raised over \$100 million for 100+ public and private companies. Former investment advisor with Mackie Research Capital Corporation, Canaccord Genuity Corp.

Michael Tan, MBA, Chief Operating Officer

Mr. Tan was the first Executive Director of the BC Liquor Distribution Branch's Cannabis Division. He successfully launched cannabis operations in British Columbia and has 20 years of experience in strategic planning and execution for national and multinational corporations. Mr. Tan is a high impact marketing and operations executive with a track record of driving revenue growth. His experience includes start-up business and enterprise leadership, organizational restructuring, and customer-centric business modelling.

John Fong, CPA, CGA, Chief Financial Officer and Corporate Secretary

Mr. Fong is an experienced strategic financial operator growing technology companies for the past five years with roles including Managing Director of Invoke Digital and CFO of BC Tech Association. Prior to that, Mr. Fong spent 15 years building international financial operations with companies listed on the TSX, NYSE, London AIM and Lima Stock Exchange with companies including Rio Alto Mining Ltd., Statesman Resources Ltd., and Grove Energy Ltd.

Edwin Garner, Director

Mr. Garner is the current Chair of the Commercial Division, Vancouver Island Real Estate Board. He is a licensed commercial real estate broker and the current Deputy Commissioner with the Athletic Commissioners Office of BC. Mr. Garner is a former President of the hospitality industry liquor licensing enforcement advisory committee. He has extensive experience in USA securities Series 7, Series 24 (Former Operations Manager), and Series 27 (Financial Principal).

Larry Timlick, Director

Mr. Timlick has been in the technology space for over 30 years and has had senior management sales positions with AT&T, Cisco, Arista, and Avaya. He has been consulting in the cannabis/hemp market for the last 30 months to a number of start-up companies in Canada, USA and Colombia to help build out their business models and find capital to develop their businesses. Mr. Timlick was an early advisor/former director of NextLeaf Solutions (CSE-OILS). He is also an advisor and board member of Turtle Island Corporation, a holding company formed to capitalize on the growing legal cannabis markets and to create shared economic development for First Nations across a global network with planned operations in Canada, Colombia and Malta. Mr. Timlick has a full understanding of the market requirements for THC/CBD oils and the technology required to produce it. He has total public board member experience of over 29 years with a number of companies listed on the TSX, TSX.V, NASDAQ and the CSE.

Allen Morishita, Director

Mr. Morishita has more than 30 years' experience in the securities industry as a Vice-President and investment advisor with Canaccord Genuity Corp. (September 1980 to May 2011). He retired from Canaccord Genuity Corp. in May 2011, and is currently the President of Kyly Investment Corp. and Secretary/Treasurer of Morquest Trading Corporation, both privately held investment companies.

Reid Robison, Chief Clinical Officer

Dr. Robison is a board-certified psychiatrist who was named Best Psychiatrist in Utah by Salt Lake City Weekly's Best of Utah Body & Mind 2020. Dr. Robison is the co-founder of Cedar

Psychiatry and serves as the Medical Director for the Center for Change, a leading eating disorder center. He was previously a coordinating investigator for the MAPS-sponsored MDMA-assisted psychotherapy study of eating disorders. As an early adopter and researcher of Ketamine in psychiatry, Dr. Robison led a pivotal IV Ketamine study for treatment-resistant depression by Janssen, leading up to the company's recent FDA-approval of Spravato™. To date, Dr. Robison has guided thousands of Ketamine therapy journeys and hundreds of Spravato™ dosing sessions. As a social entrepreneur, Dr. Robison has built a number of purpose-driven companies including Tute Genomics which was acquired by PierianDx in 2016. Dr. Robison is also an adjunct professor at both the University of Utah and Brigham Young University and is the founder of the Polizzi Free Clinic, a free mental health clinic for marginalized people based in Salt Lake City, Utah.

#### Paul Thielking, Chief Science Officer

Dr. Thielking is board certified in psychiatry, hospice & palliative medicine, and integrative medicine. Dr. Thielking is the principal investigator for a Psilocybin enhanced group psychotherapy intervention for cancer patients with depression and a co-investigator on a study for KAP for opioid use disorder. He has extensive experience with creating innovative group therapy interventions for patients with serious illness and has successfully integrated KAP services within an academic outpatient oncology clinic for cancer patients with depression. Dr. Thielking was director of psycho-oncology at the University of Utah Huntsman Cancer Institute for five years and was previously an associate professor in the department of psychiatry at the University of Utah. He was also the medical director of the tobacco treatment program at the Huntsman Cancer Institute. He has extensive experience with medical students, residents and fellows. Dr. Thielking is a graduate of the California Institute of Integrative Studies' Certification of Psychedelic Therapy and Research program.

#### Jason Lapensee, Senior Vice President, Clinic Operations

Mr. Lapensee is an experienced operations leader with proven success across retail, food and beverage, and healthcare industries. He has worked with acclaimed brands such as Apple, Starbucks, and Gap. Most recently, Mr. Lapensee built the proprietary operational platform that led to unprecedented clinic growth at Dawson Dental. As VP of National Clinic Operations, Mr. Lapensee is integral in driving Numinus' clinic expansion plans along with cultivating an unmatched experience for our clients.

#### Dr. Evan Lewis, Vice President, Psychedelic Neurology

Dr. Lewis is a Neurologist and Clinical Neurophysiologist with expertise in pediatric neurology and epilepsy. He is the founder & medical director of the NCT and VP Psychedelic Neurology Clinical Services at Numinus – a Canadian company focused on psychedelic research and therapeutics. He is an Assistant Professor with the Department of Pediatrics at the Hospital for Sick Children and the University of Toronto. Dr. Lewis attained his MD from the University of Ottawa and trained as a Pediatric Neurologist at the Children's Hospital of Eastern Ontario (CHEO). He completed fellowships in both clinical neurophysiology and epilepsy at Nicklaus Children's Hospital (formerly known as Miami Children's Hospital) and the Hospital for Sick Children. Dr. Lewis held staff positions at SickKids and Holland Bloorview Kids Rehabilitation Hospital between 2016 and 2018. Dr. Lewis is a Fellow of the Royal College of Physicians of Canada and was the Tariff Chair of the Neurology Section for the Ontario Medical Association from 2017 – 2019. He sits on the Editorial Board for the Journal of Child Neurology's Resident/Fellow Section and is an ad-hoc reviewer for the Canadian Journal of Neurological Sciences and Paediatrics & Child Health.

Dr. Neil Barclay, Vice President, Product and Protocol Development

Dr. Barclay is an emergency physician and senior health administrator with a passion for empowering teams, identifying areas of change and driving quality improvements across large organizations. Having held numerous leadership positions over 10 years in one of Canada's fastest growing health regions, while at times providing oversight for over 750,000 annual emergency department visits and flow through 2,500 hospital beds, Neil is comfortable challenging the status quo and being a solutions-oriented leader with a focus on future thinking.

Dr. Joe Flanders, Vice President, Psychology

Dr. Flanders is a licensed psychologist, with an active practice in psychotherapy and psychedelic-assisted psychotherapy. He holds certifications as a Mindfulness-Based Stress Reduction and Mindfulness-Based Cognitive Therapy teacher and teacher-trainer. He is trained to deliver KAP and currently in training to deliver MDMA for PTSD (MAPS USA). Dr. Flanders has been on a life-long journey in the pursuit of the most effective approaches for cultivating well-being – his own and that of his clients. In the last decade of that journey, Dr. Flanders has been acting as the Founder and Director of Mindspace, a centre for well-being with several locations and over 35 mental health professionals in Montreal

Danielle Hinan, Vice President, Marketing

Ms. Hinan is a Masters and MBA Graduate with 15+ years of marketing experience with premium brands such as Sweaty Betty, Lolë, Choom and Monocle Magazine. She is focused on facilitating strategic brand expansion that drives long-term business growth. She is effective at leading and motivating teams with experience in managing complex organizations and start-ups, growth and matrix structures. Ms. Hinan is driven by a passion and empathy for people, creative and consumer knowledge. She's executed a proven track record in improving business, partnerships, creative with a passion for values-based brands.

Lea Bottoni, Vice President, People & Culture

Lea is a passionate, empathetic and experienced leader with proven success with building and scaling high performing teams across retail operations, business support, supply chain and e-Commerce. An advocate of change, results focused and collaborative partnership are cornerstones to her support with a keen focus on engagement, inclusion and encouraging innovation.

Sharan Sidhu, Vice President, Scientific Research, Innovation and Laboratory Operations

Ms. Sidhu has extensive experience as a key strategist for research roadmaps, core initiatives and the development of research requirements and management of research projects and the development of IP. Worked as a hub between academia, industry, and governing directorates to ensure research and development objectives meet regulatory compliance at all phases of pipelines from inception to commercialization. Regulatory expert and policy advisor for restrictive high growth industries. Managed several compliance projects as well as developed requirements for laboratory information management system, GLP, good agricultural and collection practices, GMP as well as methods development, vendor qualification, ISO standards and training. Developed several good practices policies and quality management systems and implemented mass change control and overall, all reduction in deviations.

## **Cease Trade Orders and Bankruptcies**

None of our directors or executive officers is, as at the date of this AIF, or has been within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including us) that, while that person was acting in that capacity, or after that person ceased to act in such capacity but resulting from an event that occurred while that person was acting in such capacity, was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied Numinus access to any exemption under securities legislation in each case for a period of more than 30 consecutive days.

Except as disclosed herein, none of our directors, or executive officers, or to our knowledge, our shareholders holding a sufficient number of securities to affect materially the control of Numinus (i) is as at the date of this AIF, or has been within 10 years before the date of this AIF, a director or executive officer of any company (including us) that, while that person was acting in that capacity, or within a year of that person ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

Mr. Edwin Garner fully performed a consumer proposal with certain creditors for a total claim amount of \$42,897.45, which was settled through payment of \$12,830.85, including levy. The consumer proposal was filed with the official receiver on July 8, 2013 and was fully performed as of July 21, 2016.

## **Penalties or Sanctions**

None of our directors or executive officers, or to our knowledge, our shareholders holding a sufficient number of securities to affect materially the control of Numinus, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## **Conflicts of Interest**

To the best of our knowledge, there are no known existing or potential conflicts of interest between us and our directors, executive officers or other members of management as a result of their outside business interests as at the date of this AIF. However, as certain of our directors and officers also serve as directors and officers of other companies, it is possible that a conflict of interest may arise between their duties to us and their duties to such other companies. See *"Directors and Officers"* and *"Interest of Management and Others in Material Transactions"*.

## **PROMOTERS**

No person will be, or has been within the two (2) most recently completed financial years or during the current financial year, a promoter of Numinus.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

On January 15, 2020, Numinus Bioscience was served a notice of claim, as filed in the Supreme Court of British Columbia, from Robert D. McIntyre and Elysium Projects Inc., a company controlled by Robert D. McIntyre (collectively the "**Claimants**"). The notice of claim alleges the Claimants were wrongfully terminated and the Claimants are seeking damages accordingly. Numinus Bioscience has filed a notice of response refuting the claim and believes the case, as presented by the Claimants, is without merit.

Numinus was served with a notice of claim dated December 23, 2019 as filed in the Supreme Court of British Columbia naming Numinus as the defendant. The notice of claim alleges the wrongful termination of the former CEO/CFO and unpaid termination benefits of \$360,000. Numinus believes the lawsuit is without merit and has filed a response accordingly. No provision has been made by Numinus with regard to the notice of claim. To Numinus' knowledge, during the most recent financial year, there were no penalties or sanctions imposed against it by a court or regulatory body (including those relating to securities legislation or by a securities regulatory authority) against it that would likely be considered important to a reasonable investor in making an investment decision, nor were there any settlement agreements your company entered into before a court relating to securities legislation or with a securities regulatory authority during the financial year.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, none of (i) the directors or executive officers of Numinus, (ii) the shareholders who beneficially own, control or direct, directly or indirectly, more than 10% of the voting securities of Numinus, or (iii) any associate or affiliate of the persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction within the three years before the date of this AIF or in any proposed transaction that has materially affected or is reasonably expected to materially affect Numinus or any of its subsidiaries. See "*Material Contracts*".

## RELATED PARTY TRANSACTIONS

Numinus has not engaged in any non-arm's length party transactions since its incorporation, other than those set out in the Financial Statements.

## AUDITOR, TRANSFER AGENT, REGISTRAR AND WARRANT AGENT

The external auditors of Numinus are Davidson & Company LLP, located at 609 Granville Street, Suite 1200, Vancouver, B.C. V7Y 1G6.

The registrar and transfer agent for the Common Shares is Odyssey Trust Company at its principal office in Vancouver, British Columbia.

The Warrant agent in respect of the September Warrants, December Warrants and March Warrants is Odyssey Trust Company at its principal office in Vancouver, British Columbia.

## MATERIAL CONTRACTS

The following is a list of material contracts of Numinus entered into by Numinus during its most recently completed financial year and subsequent thereto, other than contracts entered into in the ordinary course of business:

1. Purchase Agreement dated September 22, 2021, between Numinus and NCT whereby Numinus acquired a 100% interest in NCT.
2. Acquisition Agreement dated December 15, 2020, between Numinus and the shareholders of Mindspace whereby Numinus acquired a 100% interest in Mindspace.
3. Arrangement Agreement dated April 11, 2022, between Numinus and the shareholders of Novamind Inc. whereby Numinus will acquire a 100% interest in Mindspace by way of a court approved plan of arrangement.
4. Warrant Indenture dated December 29, 2020 between Numinus and Computershare Trust Company of Canada as the Warrant agent, governing the terms of the December Warrants that Numinus issued during the December Offering, which agreement was assumed by Odyssey Trust Company; and
5. Warrant Indenture dated September 10, 2020 between Numinus and Computershare Trust Company of Canada as the Warrant agent, governing the terms of the September Warrants that Numinus issued during the September Offering, which agreement was assumed by Odyssey Trust Company.

## INTERESTS OF EXPERTS

The Financial Statements have been audited by Davidson & Company LLP, as set forth in their audit report. Davidson & Company LLP is the independent auditor of Numinus and is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

## AUDIT COMMITTEE

Under National Instrument 52-110 - *Audit Committees* ("**NI 52-110**"), Numinus is required to provide disclosure with respect to its Audit Committee including the text of the Audit Committee's Charter, composition of the Audit Committee, and the fees paid to the external auditor. Numinus provides the following disclosure with respect to its Audit Committee:

### **Audit Committee Charter**

The text of Numinus' Audit Committee Charter is attached to this AIF as Appendix "A".

## Composition of Audit Committee

The following are the members of the Audit Committee:

| Name                         | Whether Independent <sup>(1)</sup> | Whether Financially Literate <sup>(2)</sup> |
|------------------------------|------------------------------------|---------------------------------------------|
| Larry Timlick <sup>(3)</sup> | Independent                        | Financially Literate                        |
| Edwin Garner                 | Independent                        | Financially Literate                        |
| Allen Morishita              | Independent                        | Financially Literate                        |

**Notes:**

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with Numinus, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment and is not otherwise deemed to be not independent under NI 52-110.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Numinus' financial statements.
- (3) Chair of the Audit Committee.

## Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is set out in this AIF under the heading "Directors and Officers".

## Audit Committee Oversight

During the financial year ended August 31, 2022, no recommendations of the Audit Committee to nominate or compensate an external auditor were adopted by the Board of Directors.

## Reliance on Certain Exemptions

From the date of the Numinus' public listing until its listing on the TSX on December 16, 2021, Numinus was a "venture issuer" as defined in NI 52-110 and was therefore exempt from compliance with part 3 (Composition of the Audit Committee) and part 5 (Reporting Obligations) of NI 52-110 for such period. Other than the foregoing, Numinus has not relied on any of the exemptions set out in NI 52-110 during the most recently completed fiscal year.

## Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

### External Auditor Service Fees (By Category)

The following table discloses the fees billed to Numinus by its external auditor during the financial years ended August 31, 2022 and August 31 2021:

| Type of Service    | Year Ended<br>August 31, 2022 | Year Ended<br>August 31 2021 |
|--------------------|-------------------------------|------------------------------|
| Audit Fees         | \$197,800                     | \$146,000                    |
| Audit-Related Fees | \$41,400                      | \$47,500                     |
| Tax Fees           | \$75,500                      | Nil.                         |
| All Other Fees     | \$15,900                      | Nil.                         |

**Notes:**

- (1) "Audit Fees" include fees necessary to perform the annual audit and if applicable, quarterly reviews of Numinus' consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. These fees relate to preparing and filing Numinus' Canadian tax return and related schedules.
- (4) "All Other Fees" includes all other non-audit services.

### ADDITIONAL INFORMATION

Additional information relating to Numinus may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Numinus' securities and securities authorized for issuance under equity compensation plans is contained in its most recently filed Information Circular and additional financial information is provided in the Financial Statements and the MD&A.

**APPENDIX "A"**

**AUDIT COMMITTEE CHARTER**

See next page.

## NUMINUS WELLNESS INC.

### **AUDIT COMMITTEE CHARTER**

This Audit Committee Charter (the “**Charter**”) has been adopted by the board of directors (the “**Board**”) of Numinus Wellness Inc. (the “**Company**”) to define the role of the Company’s audit committee (the “**Committee**”) in relation to the oversight of the financial reporting processes of the Company. Nothing in this Charter is intended to restrict the ability of the Board or the Committee to alter or vary procedures in order to comply more fully with applicable securities laws.

#### **A. Purpose**

The purpose of the Committee is to:

- provide oversight of the Company’s financial management and of the design and implementation of an effective system of internal financial controls as well as to review and report to the Board on the integrity of the financial statements of the Company, its subsidiaries and associated companies;
- helping directors meet their responsibilities, facilitating better communication between directors and the external auditor;
- enhancing the independence of the external auditor; and
- increasing the credibility and objectivity of financial reports and strengthening the role of the directors by facilitating in-depth discussion among directors, management and the external auditor.

Management is responsible for establishing and maintaining those controls, procedures and processes and the Committee is appointed by the Board to review and monitor them. The Company’s external auditor is ultimately accountable to the Board and the Committee as representatives of the Company’s shareholders.

#### **B. Duties and Responsibilities**

##### *External Auditor*

1. To recommend to the Board, for shareholder approval, an external auditor to examine the Company’s accounts, controls and financial statements on the basis that the external auditor is accountable to the Board and the Committee as representatives of the shareholders of the Company.
2. To oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
3. To evaluate the audit services provided by the external auditor, pre-approve all audit fees and recommend to the Board, if necessary, the replacement of the external auditor.

4. To pre-approve any non-audit services to be provided to the Company by the external auditor and the fees for those services.
5. To obtain and review, at least annually, a written report by the external auditor setting out the auditor's internal quality-control procedures, any material issues raised by the auditor's internal quality-control reviews and the steps taken to resolve those issues.
6. To review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company. The Committee has adopted the following guidelines regarding the hiring of any partner, employee, reviewing tax professional or other person providing audit assurance to the external auditor of the Company on any aspect of its certification of the Company's financial statements:
  - (a) no member of the audit team that is auditing a business of the Company can be hired into that business or into a position to which that business reports for a period of three years after the audit;
  - (b) no former partner or employee of the external auditor may be made an officer of the Company or any of its subsidiaries for three years following the end of the individual's association with the external auditor;
  - (c) the Chief Financial Officer of the Company (the "**CFO**") must approve all office hires from the external auditor; and
  - (d) the CFO must report annually to the Committee on any hires within these guidelines during the preceding year.
7. To ensure that the head audit partner assigned by the external auditor to the Company, as well as the audit partner charged with reviewing the audit of the Company, are changed at least every five years.
8. To review, at least annually, the relationships between the Company and the external auditor in order to establish the independence of the external auditor.

#### *Financial Information and Reporting*

1. To review the Company's annual audited financial statements with the Chief Executive Officer of the Company (the "**CEO**") and CFO and then with the full Board. The Committee will review the interim financial statements with the CEO and CFO.
2. To review and discuss with management and the external auditor, as appropriate:
  - (a) the annual audited financial statements and the interim financial statements, including the accompanying management discussion and analysis; and
  - (b) earnings guidance and other releases containing information taken from the Company's financial statements prior to their release.

3. To review the quality and not just the acceptability of the Company's financial reporting and accounting standards and principle and any proposed material changes to them or their application.
4. To review with the CFO any earnings guidance to be issued by the Company and any news release containing financial information taken from the Company's financial statements prior to the release of the financial statements to the public. In addition, the CFO must review with the Committee the substance of any presentations to analysts or rating agencies that contain a change in strategy or outlook.

### *Oversight*

1. To review the internal audit staff functions, including:
  - (a) the purpose, authority and organizational reporting lines;
  - (b) the annual audit plan, budget and staffing; and
  - (c) the appointment and compensation of the controller, if any.
2. To review, with the CFO and others, as appropriate, the Company's internal system of audit controls and the results of internal audits.
3. To review and monitor the Company's major financial risks and risk management policies and the steps taken by management to mitigate those risks.
4. To meet at least annually with management (including the CFO), the internal audit staff, and the external auditor in separate executive session and review issues and matters of concern respecting audits and financial reporting.
5. In connection with its review of the annual audited financial statements and interim financial statements, the Committee will also review the process for the CEO and CFO certifications (if required by law or regulation) with respect to the financial statements and the Company's disclosure and internal controls, including any material deficiencies or changes in those controls.

### **C. Composition**

The Board shall appoint a Committee composed of a minimum of three "independent" and "financially literate" Directors as such terms are defined in applicable securities legislation. For purposes of this Charter, a Committee member is "independent" if the member has no direct or indirect material relationship with the Company, including a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

A Committee member is "financially literate" if he or she has the ability to read and understand fundamental financial statements (including a balance sheet, income statement and cash flow statement) and read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and level of complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. Committee members may enhance their familiarity with finance and

accounting by participating in educational programs conducted by the Company or an external consultant.

The Audit Chair of the Committee shall be a financial expert as defined in applicable securities legislation.

The Board shall appoint members of the Committee and its Chair on an annual basis. Each members of the Committee shall hold office until the close of the annual meeting of shareholders.

The Board may at any time remove or replace a member of the Committee and may fill any vacancy on the Committee that may arise from time to time. A member of the Committee shall cease to be a member if such member ceases to be a Director of the Company.

No Director may serve as a member of the Committee if they have been disqualified as a Director or otherwise been found responsible for a breach of fiduciary duty or financial wrong doing in the past.

#### **D. Procedures**

1. The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee. In the absence of the appointed Chair from any meeting of the Committee, the members shall elect a Chair from those in attendance to act as Chair of the meeting.
2. The Chair will appoint a secretary (the “**Secretary**”) who will keep minutes of all meetings. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.
3. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum.
4. The Committee will meet as many times as is necessary to carry out its responsibilities. Any member of the Committee or the external auditor may call meetings.
5. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the Articles of the Company or otherwise determined by resolution of the Board.
6. The Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, advisors or other experts or consultants as it deems appropriate.
7. The Committee has the authority to communicate directly with the internal and external auditors.

## **E. Reports**

The Committee shall produce the following reports and provide them to the Board:

- (a) An annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of this Charter. The performance evaluation should also recommend to the Board any improvements to this Charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chairperson or any other member of the Committee designated by the Committee to make this report; and
- (b) A summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.

## **APPENDIX "B"**

### **GLOSSARY OF TERMS**

See next page.

## **GLOSSARY OF TERMS**

|                                         |                                                                                                                                                                                                                 |
|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"AIF"</b>                            | means this annual information form;                                                                                                                                                                             |
| <b>"Audit Committee"</b>                | means the audit committee of the Board of Directors;                                                                                                                                                            |
| <b>"Ayahuasca"</b>                      | means a psychoactive brew made from multiple plant materials and consumed in Amazonian Indigenous traditional practices for ceremonial, medicinal and spiritual purposes;                                       |
| <b>"Board of Directors"</b>             | means the board of directors of Numinus;                                                                                                                                                                        |
| <b>"CAC Trial"</b>                      | means the proposed single-arm, open-label, compassionate access clinical trial with respect to MDMA-assisted psychotherapy for PTSD pursuant to the collaboration agreement between Numinus, MAPS and MAPS PBC; |
| <b>"CCR"</b>                            | means Cedar Clinical Research Inc.;                                                                                                                                                                             |
| <b>"CDSA"</b>                           | means the <i>Controlled Drugs and Substances Act</i> , SC 1996, c. 19, as amended;                                                                                                                              |
| <b>"CIPO"</b>                           | means the Canadian Intellectual Property Office;                                                                                                                                                                |
| <b>"Claimants"</b>                      | means, collectively, Robert D. McIntyre and Elysium Projects Inc.;                                                                                                                                              |
| <b>"CMO"</b>                            | means contract research organizations;                                                                                                                                                                          |
| <b>"Corporate KAP"</b>                  | means Numinus' pilot mental health program for corporate clients, offering KAP as a health benefit for eligible employees;                                                                                      |
| <b>"CSA"</b>                            | means the United States federal <i>Controlled Substances Act</i> ;                                                                                                                                              |
| <b>"CSE"</b>                            | means the Canadian Securities Exchange;                                                                                                                                                                         |
| <b>"COVID-19"</b>                       | means the novel coronavirus;                                                                                                                                                                                    |
| <b>"Common Shares"</b>                  | means the common shares in the capital of Numinus;                                                                                                                                                              |
| <b>"DEA"</b>                            | means the United States Drug Enforcement Administration;                                                                                                                                                        |
| <b>"DEA License"</b>                    | means a DEA license to obtain and administer ketamine;                                                                                                                                                          |
| <b>"Dealer's License"</b>               | means Salvation's license under the CDSA for possession, processing, sale, sending, transportation and delivery of (i) Psilocybin, (ii) Psilocin, (iii) Mescaline, (iv) DMT, and (v) MDMA;                      |
| <b>"December Compensation Warrants"</b> | means the 1,522,071 Common Share Purchase warrants issued to the agents in connection with the December Offering;                                                                                               |

|                                     |                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"December Offering"</b>          | means Numinus' short form prospectus bought deal public offering consisting of 25,367,850 December Units at a price of \$0.68 per December Unit for gross proceeds of \$17,250,138 completed on December 29, 2020;                                                                                                                               |
| <b>"December Units"</b>             | means the units issued pursuant to the December Offering, with each December Unit consisting of one Common Share and one-half December Warrant;                                                                                                                                                                                                  |
| <b>"December Warrants"</b>          | means the Common Share purchase warrants of Numinus issued pursuant to the December Offering, with each whole December Warrant entitling the holder to purchase one Common Share at a price of \$0.90;                                                                                                                                           |
| <b>"DMT"</b>                        | means N,N-Dimethyltryptamine;                                                                                                                                                                                                                                                                                                                    |
| <b>"Escrowed Securities"</b>        | means the certain securities of Numinus subject to escrow restrictions pursuant to a value security escrow agreement dated May 15, 2020 among Numinus, Odyssey Trust and certain shareholders of Numinus;                                                                                                                                        |
| <b>"FDA"</b>                        | means the Food and Drug Administration;                                                                                                                                                                                                                                                                                                          |
| <b>"Financial Statements"</b>       | means the audited consolidated financial statements of Numinus for the years ended August 31, 2022 and 2021;                                                                                                                                                                                                                                     |
| <b>"forward-looking statements"</b> | means certain statements in this AIF about Numinus' current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking information and/or forward-looking statements within the meaning of applicable Securities Laws; |
| <b>"GLP"</b>                        | means Good Manufacturing Practice;                                                                                                                                                                                                                                                                                                               |
| <b>"GMP"</b>                        | means Good Laboratory Practice;                                                                                                                                                                                                                                                                                                                  |
| <b>"iFinance"</b>                   | means iFinance Canada Inc.;                                                                                                                                                                                                                                                                                                                      |
| <b>"IFRS"</b>                       | means International Financial Reporting Standards;                                                                                                                                                                                                                                                                                               |
| <b>"Information Circular"</b>       | means the information circular of Numinus dated January 24, 2020 in respect of its annual general meeting of shareholders held on February 28, 2022;                                                                                                                                                                                             |
| <b>"ISO"</b>                        | means the International Organization for Standardization;                                                                                                                                                                                                                                                                                        |
| <b>"KAP"</b>                        | means Ketamine-assisted psychotherapy;                                                                                                                                                                                                                                                                                                           |
| <b>"Lab Agreement"</b>              | means the lab services agreement dated January 6, 2021 between Numinus and Optimi;                                                                                                                                                                                                                                                               |

|                                     |                                                                                                                                                                                                  |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"Lab and Testing Facility"</b>   | means Numinus' laboratory and testing facility located in Nanaimo, British Columbia;                                                                                                             |
| <b>"LSD"</b>                        | means lysergic acid diethylamide;                                                                                                                                                                |
| <b>"MAPPUSX"</b>                    | means a multi-site open-label extension study of MDMA-assisted psychotherapy for PTSD;                                                                                                           |
| <b>"MAPS"</b>                       | means the Multidisciplinary Association for Psychedelic Studies;                                                                                                                                 |
| <b>"MAPS PBC"</b>                   | means the Multidisciplinary Association for Psychedelic Studies Public Benefit Corporation;                                                                                                      |
| <b>"March Compensation Options"</b> | means the 1,932,000 non-transferrable options issued to the agents in connection with the March Offering;                                                                                        |
| <b>"March Offering"</b>             | means Numinus' bought deal public offering consisting of 32,200,000 March Units at a price of \$1.25 per March Unit for gross proceeds of \$40,250,000 completed on March 19, 2021;              |
| <b>"March Units"</b>                | means the units issued pursuant to the March Offering, with each March Unit consisting of one Common Share and one-half March Warrant;                                                           |
| <b>"March Warrants"</b>             | means the Common Share purchase warrants of Numinus issued pursuant to the March Offering, with each whole March Warrant entitling the holder to purchase one Common Share at a price of \$1.75; |
| <b>"MD&amp;A"</b>                   | means the management discussion and analysis of Numinus for the financial years ended August 31, 2022 and 2021;                                                                                  |
| <b>"MDMA"</b>                       | means N-Methyl-3,4, methylenedioxyamphetamine;                                                                                                                                                   |
| <b>"Mescaline"</b>                  | means 3, 4, 5-Trimethoxyphenethylamine;                                                                                                                                                          |
| <b>"Mindspace"</b>                  | means Mindspace Services Inc.;                                                                                                                                                                   |
| <b>"Mindspace Closing Date"</b>     | means February 8, 2021;                                                                                                                                                                          |
| <b>"NCT"</b>                        | means the Neurology Centre of Toronto Inc.;                                                                                                                                                      |
| <b>"NI 52-110"</b>                  | means National Instrument 52-110 - <i>Audit Committees</i> ;                                                                                                                                     |
| <b>"Novamind"</b>                   | means Novamind Inc.;                                                                                                                                                                             |
| <b>"Novamind Agreement"</b>         | means the definitive agreement dated April 12, 2022 between Numinus and Novamind in connection with the Novamind Transaction;                                                                    |

|                                         |                                                                                                                                                                                                              |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"Novamind Shares"</b>                | means all of the issued and outstanding shares in the capital of Novamind;                                                                                                                                   |
| <b>"Novamind Shareholders"</b>          | means all of the shareholders of Novamind;                                                                                                                                                                   |
| <b>"Novamind Transaction"</b>           | means the all-share transaction, pursuant to which Numinus acquired all of the Novamind Shares by way of a court-approved plan of arrangement;                                                               |
| <b>"Numinus"</b>                        | means Numinus Wellness Inc., and as the context requires, includes Numinus as a consolidated entity with its wholly owned subsidiaries;                                                                      |
| <b>"Numinus Bioscience"</b>             | means Numinus Bioscience Inc.;                                                                                                                                                                               |
| <b>"Numinus Health"</b>                 | means Numinus Health Corp.;                                                                                                                                                                                  |
| <b>"Optimi"</b>                         | means Optimi Health Corp.;                                                                                                                                                                                   |
| <b>"Options"</b>                        | means the options in the capital of Numinus;                                                                                                                                                                 |
| <b>"Orbitrap"</b>                       | means the Orbitrap Exploris 120 mass spectrometer with Vanquish Flex Binary;                                                                                                                                 |
| <b>"PTSD"</b>                           | means posttraumatic stress disorder;                                                                                                                                                                         |
| <b>"RTO"</b>                            | means the reverse takeover of Numinus by Numinus Bioscience by way of a securities exchange between Numinus and Numinus Bioscience;                                                                          |
| <b>"SAP"</b>                            | means Health Canada's Special Access Program;                                                                                                                                                                |
| <b>"Securities Laws"</b>                | means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer; |
| <b>"September Compensation Options"</b> | means the 1,472,000 non-transferrable options issued to the agents in connection with the September Offering;                                                                                                |
| <b>"September Offering"</b>             | means Numinus' short form prospectus offering consisting of 18,400,000 September Units at a price of \$0.25 per September Unit for gross proceeds of \$4,600,000 completed on September 10, 2020;            |
| <b>"September Units"</b>                | means the units issued pursuant to the September Offering, with each September Unit consisting of one Common Share and one-half September Warrant;                                                           |

|                                |                                                                                                                                                                                                                                                |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"September Warrants"</b>    | means the Common Share purchase warrants of Numinus issued pursuant to the September Offering, with each whole September Warrant entitling the holder to purchase one Common Share at a price of \$0.35;                                       |
| <b>"State CSAs"</b>            | means U.S. state controlled substances acts;                                                                                                                                                                                                   |
| <b>"Subscription Receipts"</b> | means, collectively, the 22,980,000 Numinus subscription receipts issued pursuant to a non-brokered private placement at a price of \$0.25 per Subscription Receipt for gross proceeds of \$5,745,000 completed on March 3, 2020;              |
| <b>"TSX"</b>                   | means the Toronto Stock Exchange;                                                                                                                                                                                                              |
| <b>"TSX.V"</b>                 | means the TSX Venture Exchange;                                                                                                                                                                                                                |
| <b>"USPTO"</b>                 | means the United States Patent and Trade Office;                                                                                                                                                                                               |
| <b>"Warrants"</b>              | means the issued and outstanding Common Share purchase warrants of Numinus;                                                                                                                                                                    |
| <b>"Wellness Centre"</b>       | means Numinus' wellness centre located in Vancouver, British Columbia, where registered professional therapists and health professionals use supportive therapies and technologies to focus on treating mental health and substance abuse; and |
| <b>"WHO"</b>                   | means the World Health Organization.                                                                                                                                                                                                           |