Ei.Ventures, Inc.

Confidential Private Placement Offering Memorandum

For shares of Common Stock of Ei.Ventures, Inc.

This Private Placement Offering Memorandum (this "**Memorandum**") has been prepared by Ei.Ventures, Inc., a Delaware corporation ("**Ei.Ventures**," "**the Company**," "**we**," "**us**" and "**our**") for use by certain qualified prospective investors to whom Ei.Ventures is offering (the "**Offering**") the opportunity to purchase shares of the Company's common stock ("**Common Stock**" or the "**Securities**"), as applicable, and based on the nature of the Company's next equity financing.

None of the Securities and Exchange Commission (the "SEC"), any state securities commission, any foreign securities authority or any other federal, state or foreign regulatory authority has approved or disapproved of these Securities or determined if this Memorandum is truthful or complete. Any representation to the contrary is unlawful and may be a criminal offense.

No action has been taken in any jurisdiction to permit a public offering of the Securities. Investing in the Securities involves a high degree of risk. You should carefully consider the risks summarized under "Risk Factors" of this Memorandum for a discussion of important factors you should consider before purchasing Securities.

Sales of these Securities will commence on approximately June 22, 2022 and will expire and terminate upon the earlier to occur of (i) the date on which the maximum placement amount of $5,000,000 has been subscribed for and accepted by the Company and a final closing is conducted or (ii) August 22, 2022. We may conduct a series of multiple closings. The minimum amount of Securities that must be purchased is $2,470.00 per investor; provided, however, that the Company may waive the minimum purchase requirement on a case-by-case basis as determined by the Company in its sole discretion.

This Memorandum has been prepared by the Company solely for use by the prospective investors of the Common Stock shall be maintained in strict confidence. Each recipient hereof acknowledges and agrees that (i) the contents of this Memorandum constitute proprietary and confidential information, (ii) the Company and its affiliates derive independent economic value from such confidential information not being generally known, and (iii) such confidential information is the subject of reasonable efforts to maintain its secrecy. The recipient further agrees that the contents of this Memorandum contain trade secret information, the disclosure of which is likely to cause substantial and irreparable competitive harm to the Company. Any reproduction or distribution of this Memorandum, in whole or in part, or the disclosure of their contents, without the prior written consent of the Company, is prohibited. Each person who has received this Memorandum is deemed to agree to return this Memorandum to the Company upon request. The existence and nature of all conversations regarding the Company and this Offering must be kept confidential.

This Memorandum has been prepared in connection with the Offering. To purchase Securities, each investor will, among other things, be required to execute a Subscription Agreement ("**Subscription Agreement**") and qualify as an accredited investor, which, for natural persons, means investors who meet certain minimum annual income or net worth thresholds as set forth in Regulation D promulgated under Section 4(a)(2) of the United States Securities Act of 1933, as amended (the "**Securities Act**"). Certain information, financial and otherwise, of prospective investors must be disclosed in order for the Company to, among other things, verify that such investors are accredited investors, for purposes of the Offering to comply with the exemption under Rule 506(c) of Regulation D.

This Memorandum contains a summary of the Securities, and certain other documents referred to herein. However, the summaries in this Memorandum do not purport to be complete and are subject to and qualified in their entirety by reference to the actual text of the relevant document, copies of which will be

provided to each prospective investor upon request. Each prospective investor should review this Memorandum, the Subscription Agreement, and any related documents for complete information concerning the rights, privileges, and obligations of investors. If any of the terms, conditions, or other provisions of the Subscription Agreement or such other documents are inconsistent with or contrary to the descriptions or terms in this Memorandum, the Subscription Agreement or such other documents shall control. The Company reserves the right to modify the terms of the Offering, the Subscription Agreement and Securities described in this Memorandum, and the Securities are offered subject to the Company's ability, in its sole and absolute discretion, to reject any commitment in whole or in part.

The Securities have not been and will not be registered under the Securities Act or any United States state securities laws or the laws of any foreign jurisdiction. The Securities will be offered and sold under the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder and other exemptions of similar import in the laws of the states and other jurisdictions where the offering will be made. The Company will not be registered as an investment company under the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**"). Consequently, investors will not be afforded the protections of the Investment Company Act.

The contents of this Memorandum have not been reviewed by any regulatory authority in the United States or any other jurisdiction. You are advised to exercise caution in relation to the offer. The restrictions listed in this Memorandum and/or the Subscription Agreement must not be taken as definitive guidance as to whether the Securities can be offered in a jurisdiction. Additional restrictions on offering, selling, or holding of the Securities may apply in other jurisdictions. If you are in any doubt about the contents of this document, you should obtain independent professional advice.

The Securities described in this Memorandum are subject to restrictions on transferability and resale and may not be transferred or resold. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. An investment in the Securities, if issued, involves a high degree of risk, volatility, and illiquidity. A prospective investor should thoroughly review the information contained herein and the terms of the Subscription Agreement, and carefully consider whether an investment in the Securities is suitable to the investor's financial situation and goals.

No person has been authorized to make any statement concerning the Company or the sale of the Securities discussed herein other than as set forth in this Memorandum, and any such statements, if made, must not be relied as having been authorized by the Company. Moreover, purchasers are advised that they should rely solely on the information contained in this Memorandum in considering whether to invest in the Securities. The Company takes no responsibility for and can provide no assurance as to the reliability of, any information that has been provided to potential purchasers outside of this Memorandum.

Investors should make their own investigations and evaluations of the Company, Subscription Agreement, and the Securities that will be delivered pursuant thereto, including the merits and risks involved in an investment in the Securities. Prior to any investment, the Company will give the investors, and each investor individually acknowledges and agrees that it has received, sufficient opportunity to ask questions of and receive answers and additional information from the Company concerning the terms and conditions of this Offering and other relevant matters. Investors should inform themselves as to the legal requirements applicable to them in respect of the acquisition, holding, and disposition of the Securities and the Securities upon their delivery and as to the income and other tax consequences to them of such acquisition, holding, and disposition.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in any jurisdiction in which it is unlawful to make such an offer or solicitation. By their participation in the Offering, investors will be deemed to have agreed that their participation will constitute their representation, warranty, acknowledgement, and agreement to all the statements about purchasers under the section titled "Notice to Purchasers." Potential purchasers should carefully read that section of this Memorandum.

Investments in the Securities are denominated in U.S. dollars ($), and investors may tender U.S. dollars or any other currencies or digital assets specifically authorized by us in exchange for the Securities. Such currencies and digital assets are subject to any fluctuation in the rate of exchange and, in the case of digital assets, the exchange valuations. Such fluctuations may have an adverse effect on the value, price, or income of an investor's investment.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Memorandum constitute forward-looking statements. In some cases, you can identify forward-looking statements by words such as "may," "will," "should," "project," "anticipate," "believe," "estimate," "intend," "expect," "continue," "potential," "predict," "plan," and similar expressions or the negatives thereof.

Any forward-looking statements in this Memorandum, including the intended actions and performance objectives of the Company, reflect our views as of the date hereof with respect to future events or our future financial performance and involve known and unknown risks, uncertainties, and other important factors that could cause the actual results, performance, or achievements of the Company in its development of the Drug Candidates (as such term is defined below) or other business opportunities described in this Memorandum to differ materially from any future results, performance, or achievements expressed or implied by such forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed in the section of this Memorandum titled "Risk Factors." Given these uncertainties, you should not place undue reliance on these forward-looking statements. No representation or warranty is made as to future performance or such forward-looking statements. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectation with regard thereto or any change in events, conditions, or circumstances on which any such statement is based, even if new information becomes available in the future. You should, therefore, not rely on these forward-looking statements as representing our views as of any date after the date of this Memorandum.

We obtained the industry, market, and competitive position data in this Memorandum from our own internal estimates, surveys, and research as well as from publicly available information, industry and general publications and research, surveys and studies conducted by third parties. Industry publications, research, surveys, studies, and forecasts generally state that the information they contain has been obtained from sources believed to be reliable. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and uncertainties as the other forward-looking statements in this Memorandum.

Prospective investors are not to construe this Memorandum as investment, legal, tax, regulatory, financial, accounting, or other advice, and this Memorandum is not intended to provide the sole basis for any evaluation of an investment in an interest. Prior to acquiring an interest, a prospective investor should consult with its own legal, investment, tax, accounting, and other advisors to determine the potential benefits, burdens, and other consequences of such investment. Further, investors are cautioned that certain terms and phrases of common usage within the digital, digital asset, pharmaceutical, and drug development industries, and any other industries referenced in this Memorandum may appear to be confusing to those unfamiliar with such usage.

THIS OFFERING IS LIMITED SOLELY TO ACCREDITED INVESTORS AS SUCH TERM IS DEFINED IN REGULATION D UNDER THE SECURITIES ACT. ONLY PERSONS OF ADEQUATE FINANCIAL MEANS WHO HAVE NO NEED FOR PRESENT LIQUIDITY WITH RESPECT TO THIS INVESTMENT SHOULD CONSIDER PURCHASING THE PURCHASE RIGHTS SET FORTH IN THE SUBSCRIPTION AGREEMENT OFFERED HEREBY BECAUSE: (I) AN INVESTMENT IN THE SECURITIES INVOLVES A NUMBER OF SIGNIFICANT RISKS (SEE "RISK FACTORS"); AND (II) NO MARKET FOR THE SECURITIES CURRENTLY EXISTS, AND NO SUCH MARKET IS LIKELY TO DEVELOP IN THE REASONABLY FORESEEABLE FUTURE. THIS OFFERING IS INTENDED TO BE A PRIVATE OFFERING THAT IS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS.

COMPANY OVERVIEW

Overview of the Company

Ei.Ventures, Inc., a Delaware corporation (the "**Company**"), is a start-up company formed in May 2019 with the ambition of being at the forefront of new industries and technologies. The Company is engaging in innovative psychoactive therapeutic compounds, delivery systems and non-psychoactive nutritional supplements that address global mental healthcare needs. The Company began as a wholly owned subsidiary of Orthogonal Thinker, Inc., a Delaware corporation ("**Orthogonal**"), a company engaged in developing intellectual property. In 2020, the Company agreed to licensing terms with Orthogonal Thinker, Inc. of certain intellectual property related to healthcare. With the recent emergence and rapid growth of digital technologies, we believe that that the future of mental health solutions will not be in the brick-and-mortal clinics, but in the metaverse.

Mental health conditions such as depression, substance use disorder, or SUD, and anxiety, which are among our anticipated targeted focus indications, are highly prevalent and estimated to affect more than one billion people globally. Additionally, it is expected that more than 50% of the U.S. populations will be diagnosed with a mental health condition at some point in their lifetime. The COVID-19 pandemic has lead to increased incidence of mental health conditions and an increase in persons seeking mental health services. Those suffering from mental health conditions have higher mortality rates than the general population and often experience decreased quality of life as a result of emotional, behavioral, or physical manifestations. Between 2009 and 2019, spending on mental health care in the United States increased by more than 50%, reaching $225 billion, and a Lancet Commission report estimates the global economic cost will reach $16 trillion by 2030. While current treatments, such as selective serotonin reuptake inhibitors, or SSRIs, and serotonin-norepinephrine reuptake inhibitors, or SNRIs, are well established and effective for certain patients, a significant percentage of patients either respond inadequately or relapse, translating to a significant unmet patient need. Additionally, with the rapidly growing patient population, we believe that we will need accessible treatment solutions. We believe that future treatment solutions will be in virtual settings in the metaverse.

On October 8, 2020, the Company agreed to terms with Orthogonal for a royalty-free license of certain intellectual property (the "**License Agreement**"), including the compositions addressed in Orthogonal's provisional patent application, the associated intellectual property, and also intellectual property associated with a number of additional psilocybin-based psychoactive compounds and non-psychoactive nutritional supplements not included in the provisional application. The License Agreement grants the Company an exclusive world-wide right to use, manufacture, develop, commercialize, market and sell all of the licensor's intellectual property addressed in the License Agreement with respect to the intellectual property for medicinal, therapeutic, nutraceutical and adult recreational uses, including the matters included in the provisional application. No consideration was paid to Orthogonal for the license.

The license is perpetual, subject to limited termination rights, for example, if the Company is found guilty of criminal activity or the Company files for bankruptcy.

Our initial research into psychoactive therapeutic compounds is planned to be conducted with respect to psilocybin and/or psilocin. Psilocybin is a naturally-occurring psychedelic compound produced by more than 200 species of mushrooms, collectively known as psilocybin mushrooms. Psilocybin is quickly converted by the body to psilocin, which is a non-selective serotonin receptor agonist responsible for its pharmacologic effects. Currently in the United Sates, the possession of psilocybin and psilocin is illegal because psilocybin is a Schedule I controlled substance. As a result, the federal government has the right to regulate and criminalize psilocybin, including for medical purposes. In Canada, psilocybin is classified as a schedule III drug, meaning activities such as sale, possession, or production of these substances are prohibited unless they have been authorized for clinical trials or research purposes, consistent with Part J of Canada's Food and Drug Regulations. Current formulations and testing are theoretical—the Company has not taken any steps to test or otherwise verify any of the formulations—and, if approved, actual testing will only proceed in government-approved laboratories.

Our progress with regard to the testing and sale of psychoactive therapeutic options will depend, in large part, on changes to the federal and state regulations in the United States and abroad with regard to biopharmaceutical research involving psychedelics or rescheduling of psilocybin and/or psilocin as a Schedule I controlled substance (or schedule III drug in Canada), along with our ability to obtain and maintain patent protection of current and future compositions. We intend to use the proceeds of this Offering to fund pre-clinical and clinical trials on our current compositions to meet FDA regulations. Current formulations and testing are theoretical and, if approved, actual testing will only proceed in government-approved laboratories. Pre-clinical and clinical testing is expensive, is difficult to design and implement and can take years to complete. The initial testing that we intend to complete within the next year, for each formulation, which in large part will be theoretical, includes (1) the development of one or more active pharmaceutical ingredients; (2) product characterization to determine size shape, strengths and weaknesses, toxicity, bioactivity, and bioavailability; (3) formulation, delivery, and packaging development to devise a formulation that insures the proper drug delivery parameters; (4) pharmacokinetics (PK) and absorption/distribution/metabolism/excretion (ADME) studies; (5) preclinical toxicology testing to determine the bioactivity, safety, and efficacy of the formulations; and (6) Phase 1 clinical trials to evaluate pharmacokinetic parameters and tolerance.

While we navigate through pre-clinical research on our psychoactive compositions and the accompanying strict regulatory environment, we also intend to develop and commercialize non-psychoactive nutritional supplement products that will be synergistic with the psychoactive therapeutic options to address one's whole well-being through a wholly-owned subsidiary, Mana Health Labs, Inc., a Delaware corporation. Through this subsidiary, we intend to make "MANA" a nationally recognized brand in the nutritional supplements industry. We intend to launch the following initial products: (1) Brain MANA, a non-psychotropic mushroom formulation with enhanced bioavailability, (2) Intelliburst, a natural focus and energy booster, (3) Happy Sexy, a weight loss booster; (4) Sleepy Sexy, a weight loss booster and sleep aid. We plan to manufacture all of our nutritional supplement products from natural ingredients in compliance with U.S. Food and Drug Administration laws and regulations. We intend to package our nutritional supplements in different form, such as tables, gummies, capsules, and powders. We anticipate that all of our products will be GMO-free, which we intend to emphasize in our marketing campaigns to the extent possible.

Through the research the Company conducted and with the overall goal of psychoactive therapeutics being a legal option for treating persons and health conditions the Company began analyzing how the current medical system works. The Company recognized the evolution of medicine including the emergence of telehealth services. We believe these advancements in the medical field, including telehealth

will stay long after the Covid-19 pandemic, and as such, believe more resources need to be created to deliver such services efficiently and securely. In April, 2022, the Company formed a subsidiary, Pluto11.11, Inc., a Delaware corporation, ("**Pluto11.11**") to focus on emerging technologies such as the Metaverse, blockchain technologies and Web3. Pluto 11.11's mission is to engage and further development of these technologies, specifically investing in physical assets in the Metaverse. The Company expects to utilize the development of these technologies, to create a safe, efficient, and secure way to provide telehealth services in general and specifically to the psychoactive therapeutics. We believe that the Company and Pluto11.11 may have unique opportunities to invest in or acquire companies that are compatible with this mission because of longstanding relationships and the potential for collaboration between such other companies and the Company and Pluto11.11.

There can be no assurance that we will be able to accomplish this intermediate business plan: The Company is organized and directed to operate strictly in accordance with all applicable federal, state and provincial laws. Accordingly, at this time, we do not grow, process, own, handle, transport or sell psilocybin-based products. However, if the legal environment changes in the United States or in Canada, the Company's management may explore business opportunities in the development of laboratories, and growing/cultivation operations, provided that no such business opportunities become legally permissible under applicable federal and state or provincial law.

Company Information

We were incorporated in the State of Delaware on May 03, 2019, under the name Ei.Ventures, Inc. Our principal executive office address is 1215 South Kihei Road, #424, Kihei, Hawaii 96753. Our corporate telephone number is (808) 213–8191. Our corporate website is https://www.ei.ventures. The information contained on or that can be accessed through our website is not incorporated by reference into this Memorandum, and you should not consider information on our website to be part of this Memorandum or in deciding whether to purchase our Securities.

Our People

We were founded by David Nikzad, an experienced operator, entrepreneur, and angel investor, and Jason Hobson, an experienced attorney, entrepreneur and angel investor, with the aim of providing accessible and transformative treatment solutions for mental health conditions. The focus on such whole-person treatment solutions came out of direct experience with the trauma of mental health challenges such as depression and awareness of the potential solutions offered by unconventional approaches including psychedelic compounds.

Market Opportunity and Potential

Ei.Ventures, engages in the discovery, development and commercialization of regulatory approved, plant-derived, psychoactive therapeutic compounds. Psilocybin and psilocin are naturally occurring psychedelic compounds found in more than 200 species of mushrooms. They are similar chemically, with psilocin being the psychoactive compound that stimulates the human brain. Psilocin oxidizes and loses its potency very quickly. Psilocybin has an additional element in its composition which prevents oxidization. Because of this psilocybin-containing mushrooms can be dried and kept for a long time without a drop in potency. Psilocybin becomes psilocin in the human body and binds with serotonin receptors in the brain, which regulate the release of neurotransmitter chemicals related to appetite, cognition, anxiety, imagination, learning, memory, mood, and perception. Psilocin produces psychedelic experiences and an altered state of consciousness.

The World Health Organization estimates that over 264 million people worldwide suffer from major depressive disorder, or MDD. The second leading of cause of death in 15-29-year-olds is suicide related to MDD. In the United States, the economic burden of MDD accounts for approximately $200

billion per year. Patients suffering with MDD are treated through a number of approaches. Most treatments for MDD rely on a treatment plan focused on the brain's neurotransmitter monoamine levels. This methodology has exhibit limited efficacy in a significant portion of patients and often results in high relapse rates. Company believes that it is time for a new approach to the treatment of MDD that can deliver reliable results and long-term efficacy.

Psilocybin is currently classified as a Schedule I drug in the United States and is similarly prohibited in many jurisdictions. While the legal status of psilocybin currently restricts the research that can be performed on its ability to treat MDD and other conditions, there is a rapidly growing body of evidence that psilocybin may have beneficial effects on depression and other mental health conditions. The FDA and the U.S. Drug Enforcement Administration, or DEA, have permitted the use of psilocybin in clinical studies for the treatment of a range of psychiatric conditions. In particular, recent studies demonstrate that psilocybin may beneficially alter the extracellular release of serotonin and dopamine, resulting in brain network connectivity and increased level of neuroplasticity. These studies are encouraging and demonstrate that psilocybin therapy may have the potential to ensure rapid and enduring mood effects.

With regard to the nutritional supplements, our aim is to operate within the large and growing nutritional supplements industry. According to Nutrition Business Journal's Supplement Business Report 2020, the nutritional supplement industry generated $123.28 billion in sales in 2019 and is projected to grow 8% per annum through 2027. The Company anticipates several key demographic, healthcare, and lifestyle trends to drive the continued growth of this industry. These trends include increasing awareness of nutritional supplements across major age and lifestyle segments of the U.S. population, and increased focus on fitness and healthy living.

Company intends that the United States will be our initial target market for sales of our nutritional supplements. Company anticipates distributing our products through four primary channels: (1) master distributors in the nutritional supplements market; (2) master distributors in the fast-moving consumer goods industry; (3) big box retailers; (4) our own website and internal sales force; and (5) white-label opportunities for our products. With time, we intend to expand our reach globally.

Unlike cannabis, for which a large number of people report usage, psilocybin currently is increasing but consumed relatively rarely, with only about 0.1 percent of persons surveyed reporting psychedelic use in 2019. Psilocybin is neither physically addictive nor shown to cause psychological dependence. Psilocybin and psilocin produce short-term tolerance in users, which diminishes its effects with repeated dosing. It can take several weeks to a month for tolerance to return to normal levels. As with cannabis, LSD and other hallucinogens, psilocybin has also been linked to a poorly understood phenomena known as Hallucinogen Persisting Perception Disorder (HPPD), in which sufferers report ongoing distortions to their perception, even years later. Symptoms can range from minor visual issues to disturbing hallucinations.

Psilocybin has the potential to aid in the treatment of depression, eating disorders and addiction, but the study of psychedelics and their applications in medicine and psychology is still in its infancy, hampered by its Schedule I Narcotics status and the United States' "War on Drugs". However, psilocybin has shown promise in combination with psychotherapy. Recent studies have shown that psilocybin and psilocin may act as primary medicines in the treatment of a number of mental disorders.

Various potential competitors to Ei.Ventures are in differing stages of clinical trials for similar or competing product compounds as follows:

Companies	**Stage**
Atai Life Sciences AG	Phase 1 and Phase 2

Champignon Brands Inc.	Pre-Clinical/Phase 1
Compass Pathways Ltd	Phase 2(b) TRD
Cybin Inc.	Pre-clinical
Eluesis Ltd.	Phase 1 completed
Field Trip Health, Inc.	Pre-clinical
Mind Medicine Inc.	Phase 1(b) and Phase 2
Tactogen, Inc.	Pre-clinical

We believe that in the coming years and with greater legalization, medical psilocybin will become accepted, resulting in a growth in demand for the availability of psilocybin-based products and services. We see an opportunity, as legal psilocybin industries emerge in North America and around the world, to create a broad-based portfolio of differentiated psilocybin-based products that we intend to develop and bring to market in a legal and professional manner. We believe that many patients will come to rely on medical psilocybin as a substitute to opioids and other narcotics.

Intellectual Property

Orthogonal in October 2020 received from the inventor the assignment of certain specific proprietary compounds, methods, discoveries and formulations in the field of natural, non-synthetic psychoactive compounds containing psilocybin/psilocin. As part of this assignment, Orthogonal obtained the complete rights to develop, commercialize, license and seek patent protection for the acquired intellectual property.

In March 2020 Orthogonal filed a provisional patent application with the US Patent and Trademark Office seeking patent protection for aspects of the acquired intellectual property. A provisional application is not examined by a patent examiner and remains confidential.

The provisional patent application describes several compositions, such as oral dosage forms, containing psilocybin and/or psilocin in combination with various specified amino acids, vitamins, plant herbs and/or other compounds. The application also describes methods for making these compositions and using these compositions, including for the treatment of anxiety disorders, depressive disorders or compulsive disorders.

On October 8, 2020, the Company agreed to terms with Orthogonal Thinker, Inc. for the License Agreement, a royalty-free license of certain intellectual property, including the compositions addressed in the Company's provisional patent application, the associated intellectual property, and also intellectual property associated with a number of additional psilocybin-based psychoactive compounds and non-psychoactive nutritional supplements not included in the provisional application. The License Agreement grants Ei.Ventures an exclusive world-wide right to use, manufacture, develop, commercialize, market, and sell all of the intellectual property addressed in the License Agreement with respect to the intellectual property for medicinal, therapeutic, nutraceutical and adult recreational uses, including the matters included in the provisional application. No consideration was paid to Orthogonal Thinker, Inc. for the license. The license is perpetual, subject to limited termination rights, for example, if Ei.Ventures is found guilty of criminal activity or files for bankruptcy.

On March 19, 2021, Ei.Ventures filed a Patent Cooperation Treaty (PCT) application, claiming priority to a March 20, 2020 U.S. Provisional patent application. The PCT application is for a composition that contains: (A) a psychoactive compound selected from the group consisting of psilocybin, psilocin, and combinations thereof; and (B) a supplement selected from the group consisting of an amino acid, a vitamin B6, piracetam, gamma aminobutyric acid (GABA), theobromine, caffeine, resveratrol, and combinations thereof. A method of producing the composition and an oral dosage containing the composition are also described in the application. A PCT application is not examined unless it is filed as a national stage application with individual countries. Before September 19, 2022, Ei.Ventures will need to decide whether to file further national stage applications that claim priority to the PCT application. We cannot be sure that patents will be granted with respect to any patent applications we may file in the future, nor can we be sure that any patents that may be granted in the future upon which we rely will be commercially useful in protecting our compositions and processes.

The following trademark applications are pending with the United States Patent and Trademark Office. Each of these applications is owned by Orthogonal and licensed to Ei.Ventures:

- US Trademark Application No. 90/314,558 for the EI.VENTURES mark, filed on November 12, 2020, with Notice of Allowance issued on January 4, 2022;
- US Trademark Application No. 90/314,547 for the  mark, filed on November 12, 2020, with Notice of Allowance issued January 18, 2022;
- US Trademark Application No. 90/323,536 for the  mark, filed on November 17, 2020, with a Notice of Allowance issued January 18, 2022;
- US Trademark Application No. 90/323,539 for the  mark, filed on November 17, 2020, with a Non-final Office Action issued January 10, 2022;
- US Trademark Application No. 88/814,693 for the PSILLY mark, filed on February 28, 2020, which was suspended on December 20, 2020;
- US Trademark Application No. 88/814,694 for the PSILLY LIFE mark, filed on February 28, 2020, which was suspended on December 20, 2020;
- US Trademark Application No. 90/317,444 for the TRUST THE PSILLY mark, filed on November 13, 2020, with a Notice of Allowance received February 1, 2022;
- US Trademark Application No. 90/314,553 for the BRAIN MANA mark, filed on November 12, 2020, and published on November 9, 2021, with Mana Up Labs, LLC filing a 90-day extension of time to oppose on December 8, 2021;
- US Trademark Application No. 90/323,507 for the MANA mark; filed on November 17, 2020, and published on November 9, 2021, with Mana Up Labs, LLC filing a 90-day extension of time to oppose on December 8, 2021, and an Opposition filed on March 9, 2022 to which the company will need to Answer by May 18, 2022;
- US Trademark Application No. 90/323,525 for the  mark, filed on November 17, 2020, which was suspended on November 1, 2021; and
- US Trademark Application No. 90/323,513 for the  mark, filed on November 17, 2020, and published on November 9, 2021, with Mana Up Labs, LLC filing a 90-day extension of time to oppose on December 8, 2021;

- US Trademark Application No. 90/323,536 for the  mark, filed on November 17, 2020, with a Notice of Allowance issued September 7, 2021;
- US Trademark Application No. 97/142,392 for the PSLY mark, filed on November 24, 2021;
- US Trademark Application No. 97/142,446 for the PSLY mark, filed on November 24, 2021;
- US Trademark Application No. 97/146,383 for the  mark, filed on November 29, 2021;
- US Trademark Application No. 97/146,433 for the  mark, filed on November 29, 2021;

We cannot be sure that applied-for trademark applications will be granted, nor that any trademarks that may be granted in the future upon which we rely will be commercially useful in protecting our proposed branding.

We do not own or operate, and currently have no plans to establish, any manufacturing facilities for final manufacture. We intend to rely on third parties for the manufacture of our compositions for future pre-clinical studies and clinical testing, as well as for commercial manufacture of any products that we may be able to commercialize.

For our future drug candidates, we aim to identify and qualify manufacturers and researchers to provide the application program interface, or API, and fill-and-finish services prior to submission of an NDA to the FDA. We expect to fund the development of drug candidates that can be produced cost-effectively at contract manufacturing facilities.

Government Regulation and Product Approval

Governmental authorities in the United States, at the federal, state, and local level, Canada and other countries extensively regulate, among other things, the research, development, testing, manufacture, labeling, packaging, promotion, storage, advertising, distribution, marketing, and export and import of products such as those we are developing. Our drug candidates must be approved by the FDA through the NDA process before they may be legally marketed in the United States, by HC through the NDS process before they may be legally marketed in Canada and by the European Medical Associate through the Marketing Authorization Application, or MAA, process before they may be legally marketed in Europe. Our drug candidates will be subject to similar requirements in other countries prior to marketing in those countries. The process of obtaining regulatory approvals and the subsequent compliance with applicable federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources.

Regulation of Psilocybin

United Stated Drug Enforcement Agency

Psilocybin and psilocybin extracts are regulated as "controlled substances" as defined in the Controlled Substances Act of 1970 ("**CSA**"), which establishes registration, security, recordkeeping, reporting, storage, distribution and other requirements administered by the Drug Enforcement Administration ("**DEA**"). The DEA is concerned with the control of handlers of controlled substances, and

with the equipment and raw materials used in their manufacture and packaging, in order to prevent loss and diversion into illicit channels of commerce.

The DEA regulates controlled substances as Schedule I, II, III, IV or V substances. Psilocybin is currently regulated as a Schedule I substance, which by definition has no established medicinal use, and may not be marketed or sold in the United States. A drug may be listed as Schedule II, III, IV or V, with Schedule II substances considered to present the highest risk of abuse and Schedule V substances the lowest relative risk of abuse among such substances. Psilocybin and psilocybin extracts are listed by the DEA as Schedule I controlled substances under the CSA. Consequently, their manufacture, shipment, storage, sale and use are subject to a high degree of regulation. Annual registration is required for any facility that manufactures, distributes, dispenses, imports or exports any controlled substance. The registration is specific to the particular location, activity and controlled substance schedule. For example, separate registrations are needed for import and manufacturing, and each registration will specify which schedules of controlled substances are authorized.

The DEA typically inspects a facility to review its security measures prior to issuing a registration. Security requirements vary by controlled substance schedule, with the most stringent requirements applying to Schedule I and Schedule II substances. Required security measures include background checks on employees and physical control of inventory through measures such as cages, surveillance cameras and inventory reconciliations. The registered entity must maintain records for the handling of all controlled substances and must make periodic reports to the DEA. These include, for example, distribution reports for Schedule I and II controlled substances, Schedule III substances that are narcotics, and other designated substances. The registered entity must also report thefts or losses of any controlled substance and obtain authorization to destroy any controlled substance. In addition, special authorization and notification requirements apply to imports and exports.

In addition, a DEA quota system controls and limits the availability and production of controlled substances in Schedule I or II. Distributions of any Schedule I or II controlled substance must also be accompanied by special order forms, with copies provided to the DEA. The DEA may adjust aggregate production quotas and individual production and procurement quotas from time to time during the year, although the DEA has substantial discretion in whether to make such adjustments. To meet its responsibilities, the DEA conducts periodic inspections of registered establishments that handle controlled substances. In the event of non-compliance, the DEA may seek civil penalties, refuse to renew necessary registrations, or initiate proceedings to revoke those registrations. In certain circumstances, violations could lead to criminal prosecution.

States

The states also maintain separate controlled substance laws and regulations, including licensing, recordkeeping, security, distribution, and dispensing requirements. State authorities, including Boards of Pharmacy, regulate use of controlled substances in each state. Failure to maintain compliance with applicable requirements, particularly as manifested in the loss or diversion of controlled substances, can result in enforcement action that could have a material adverse effect on our business, operations, and financial condition.

Currently in the U.S. the possession of psilocybin-containing mushrooms is illegal because they contain the Schedule I drugs psilocybin and psilocin. The cities of Denver, Colorado; Oakland, California; and Santa Cruz, California have decriminalized the drug. The state of Oregon also voted to legalize psylocibin. These limited city/state laws conflict with the federal CSA, which makes psilocybin use and possession illegal at the federal level. Because psilocybin is a Schedule I controlled substance, however, the development of a legal psilocybin industry under the laws of these states conflicts with the CSA, which makes psilocybin use and possession illegal on a national level. If psilocybin is treated like cannabis, the federal government has the right to regulate and criminalize psilocybin, including for medical purposes, and that federal law criminalizing the use of psilocybin preempts state laws that legalize its use.

Health Canada

In Canada, psilocybin is classified by HC as a schedule III drug under the Controlled Drugs and Substances Act ("**CDSA**"), meaning activities such as sale, possession, or production of these substances are prohibited unless they have been authorized for clinical trials or research purposes by HC, consistent with Part J of Canada's Food and Drug Regulations. Under Part J, a party may file a CTA to study psilocybin for a medicinal use. The compliance and monitoring of controlled drugs and substances in Canada is overseen by HC's Office of Controlled Substances, in conjunction with law enforcement agencies. The CDSA provides for the control of substances that can alter mental processes and that may produce harm to health and to society when diverted or misused. Except as authorized under its related regulations, or via an exemption issued under section 56 of the CDSA, most activities involving substances regulated under the CDSA, such as possession, import, export, trafficking, and production are prohibited. Controlled substances are regulated and grouped into Schedules I to V to the CDSA. Schedule III is considered of less abuse potential than Schedule I.

HC administers the CDSA and its regulations to: (1) allow access for lawful purposes and (2) reduce the risk that controlled substances and precursors will be used for illegal purposes. To meet these two objectives, HC: (1) issues licenses, permits and exemptions, (2) monitors trends of problematic substance use, (3) updates the Schedules to the CDSA based on assessments of new or existing substances, when necessary, (4) works with international organizations and other countries to meet Canada's obligations regarding controlled substances. The CDSA applies to a broad range of parties, including: (1) manufacturers, distributors, importers and exporters who must get a license to produce, sell, import or export controlled substances and precursors, (2) importers and exporters who must get a permit each time they import and export a controlled substance or precursor, (3) health professionals who must comply with requirements when prescribing and giving controlled substances to a patient, and (4) researchers who must get permission to have a controlled substance for research purposes.

All regulated parties must comply with requirements for: (1) security, (2) reporting, and (3) record-keeping. HC promotes and enforces compliance with the CSDA by: (1) developing and publishing guidance, (2) informing affected parties of any regulatory changes, and (3) publishing notices seeking public input on proposed regulatory changes. HC also carries out inspections of regulated parties and monitors regulated activities. HC may act when a regulated party is not following the rules of the CDSA, including (but are not limited to): (1) issuing warning letters, (2) requiring a corrective action plan, (3) suspending and revoking licenses, permits or exemptions to stop a regulated party from conducting activities. To further enforce the CDSA, HC works with a wide range of partners and stakeholders, including: (1) provincial and territorial governments, (2) other federal departments and agencies, (3) law enforcement agencies, (4) academic, scientific and research communities, (5) non-government organizations, such as national, provincial, and territorial health professional associations, (6) federal regulators in other countries, (7) international organizations, such as the United Nations.

In Canada, mushroom spore kits and are legal and are sold openly in stores or on the Internet, as the spores and kits themselves are legal. Online dispensaries exist that openly sell microdoses to Canadian patients with medical prescriptions. The Canadian police tolerates the activity, citing focus on more harmful criminal drug activities. In September 2019, a motion to prevent the sale of magic mushrooms was defeated by Vancouver council.

In addition to HC, the National Association of Pharmacy Regulatory Authorities (NAPRA) also has a role in scheduling new drugs, which is separate from HC's scheduling process. NAPRA's role in the drug scheduling process occurs after HC has authorized a drug for sale in Canada and determined whether the drug requires a prescription for sale. NAPRA does not have any role or authority in the authorization of new health products for the Canadian market and does not review products that have been classified as requiring a prescription by HC.

While the federal government determines certain conditions of sale, such as the need for a prescription, provincial/territorial governments can further specify the conditions of sale of drug products. Prior to 1995, each province and territory had its own system for determining the conditions of sale for non-prescription drugs in Canada, leading to wide variability in the way drugs were sold across Canada. In 1995, NAPRA's members, the pharmacy regulatory authorities across Canada, endorsed a proposal for a national drug scheduling model, to align the provincial/territorial drug schedules so that the conditions of sale for drugs would be more consistent across Canada. This harmonized national model is administered by NAPRA and is called the National Drug Schedules (NDS) program.

All of the provinces and territories, except Quebec, have adopted the National Drug Schedules in some manner. The NDS come into force in each province/territory through provincial regulations. In general, the National Drug Schedules capture drugs that have been authorized for sale and classified as non-prescription by HC. Other products approved by HC (e.g. natural health products, medical devices) are outside the scope of the program and are not considered products for scheduling within the NDS.

The NDS program consists of three schedules and four categories of drugs. Schedule I drugs require a prescription for sale. Schedule II drugs require professional intervention from the pharmacist (e.g., patient assessment and patient consultation) prior to sale. Schedule III drugs must be sold in a licensed pharmacy but can be sold from the self-selection area of the pharmacy. Unscheduled drugs can be sold without professional supervision, from any retail outlet.

The drug scheduling process usually begins when NAPRA receives a drug scheduling submission from a pharmaceutical company. The National Drug Scheduling Advisory Committee is an expert advisory committee that reviews the drug scheduling submissions received by NAPRA and formulates drug scheduling recommendations. There is a specific process that must be followed during each drug scheduling review, which is outlined in NAPRA's By-law No. 2 and Rules of Procedures. The model for making drug scheduling recommendations embodies a "cascading principle" in which drugs are assessed against specific scheduling factors. A drug is first assessed using the factors for Schedule I. Should sufficient factors apply, the drug remains in that Schedule. If not, the drug is assessed against the Schedule II factors, and if warranted, subsequently against the Schedule III factors. Should the drug not meet the factors for any schedule, it becomes "Unscheduled" (the fourth category).

According to this cascading principle, it is possible, although rare, for NAPRA to place a product in Schedule I that HC has classified as a non-prescription product. This could occur because of the NAPRA policy for drugs not reviewed, which places drugs into Schedule I until they are reviewed, or because of a range of factors considered by the expert advisory committee when applying the cascading drug scheduling model. As described above, the provinces and territories can add additional conditions of sale for non-prescription drugs but can never be less restrictive than federal legislation.

Once the National Drug Scheduling Advisory Committee has reviewed a particular drug, it will make an interim drug scheduling recommendation. A 30-day consultation period follows, after which the NAPRA Board of Directors will make a final scheduling recommendation. The National Drug Schedules are then amended, and the final recommendation is implemented according to the rules in each province or territory.

In summary, whereas in the U.S. psilocybin is presumed to have no medical use and is s Schedule I drug, in Canada, psilocybin is classified as a drug with a lower potential for abuse under Schedule III and is being studied in clinically-supervised settings for its potential to treat various conditions such as anxiety, depression, obsessive compulsive disorder and problematic drug use. Currently there are no approved therapeutic products containing psilocybin in Canada or the US. Once a psilocybin- psilocin-containing product were approved in Canada, we would expect it to remain Schedule III or a higher level (IV or V) and that NAPRA could schedule as I, requiring a prescription.

Our Assets

Since our inception in 2019, we have built our pipeline through incubation and business development efforts, and we have advanced multiple programs through early stages of development. We have also, where appropriate, invested in companies where we believe there may be potential collaborations between such companies and our vision. The following table summarizes our assets based on original investment in the following entities:

Ei.Ventures Assets:	**Amount Invested**
Intangible assets consist of 132 digital parcels estate in The Sandbox	$1,657,586
Property and Equipment	$43,253

Additional Holdings

As part of the Company's ambition to address global mental healthcare needs, for which the Company needs a global presence, Ei.Ventures acquired a presence in The Sandbox metaverse, consisting of a 12x12 estate comprised of 144 parcels of prime commercial space, consisting of 144 LAND parcels located at -36, 0 for 450 ETH. Orthogonal facilitated the Sandbox metaverse purchase transaction and will be the beneficial owner of 12 of the 144 parcels of land as compensation for its services.

Litigation

We are not aware of any litigation pending or threatened against the Company.

MANAGEMENT

Executive Officers, Directors and Key Employees

Our executive officers, directors and key employee are set forth below.

NAME	**AGE**	**POSITION**
David Nikzad	45	Director, President
Jason A. Hobson	50	Director, Treasurer, Secretary

David Nikzad joined the Company in 2019, upon its formation. Mr. Nikzad is an experienced operator, entrepreneur, and angel investor. He is an "investor savant" and backer of the most disruptive entrepreneurs. With a keen eye for winning ideas, he has an impressive track record of investing success.

David's ability to find companies that become leaders in their respective industries is a gift. As an advisor to early-stage companies in Silicon Valley, he has successfully led the development of new and existing companies, built teams and guided operations. He was one of the first investors in Betterment, which now manages billions in assets. He is also an investor in several other Y Combinator companies, and co-founder of Reinmkr Satsang, a Venture capital firm. All told, David has invested in 100+ start-up and emerging companies over the last twenty years. He has served in a number of roles in the Company, including Chairman and Chief Executive Officer of Ei.Ventures since 2019.

Jason A. Hobson joined the Company in 2016, upon its formation. He is an attorney, entrepreneur and angel investor, with investments in 75+start-up and emerging companies. He is a founding partner of the law firm of Hobson Bernardino + Davis LLP, He was previously in-house counsel for a national tax credit equity syndication firm which syndicated limited partnership interests and was also previously a senior attorney with the Century City and San Francisco offices of Pillsbury Winthrop Shaw Pittman LLP (formerly Pillsbury Madison & Sutro LLP), where he was a member of Corporate and Securities Practice Group. In 2012, Jason was appointed to a state commission with an oversight function to the California Public Utilities Commission with respect to energy programs across the State of California. He is a graduate of the University of California Hastings College of Law, UCLA Anderson School of Management (Management Development for Entrepreneurs certificate), Waseda University (Tokyo Japan) and California State University.

Composition of our Board of Directors

Our board of directors currently consists of two members, David Nikzad and Jason Hobson. Our directors are elected annually, hold office until their successors have been elected and qualified or until the earlier of their death, resignation or removal. Our certificate of incorporation provides that the authorized number of directors comprising our board of directors shall be fixed by a majority of the total number of directors. There are no family relationships among any of our directors or executive officers.

Our board of directors does not currently have an audit committee, a compensation committee or a nominating and governance committee. Our board of directors intends to establish an audit committee and a compensation committee, when required by any applicable trading market on which we list or have quoted our Common Stock or at such earlier time as our board of directors may decide in its discretion. Each committee established will operate under a charter to be approved by our board of directors.

Code of Ethics and Business Conduct

We have not yet adopted a code of ethics and business conduct, which would apply to our employees, directors, and officers, including our principal financial officer, principal accounting officer or controller, or persons performing similar functions. Our board of directors plans to adopt a code of ethics when required by any applicable trading market on which we list or have our Common Stock quoted or at such earlier time as our board of directors may decide in its discretion.

Executive Compensation

As of December 31, 2021, the Company paid $125,000 in executive compensation to each of Jason Hobson and David Nikzad. The Company has not paid or agreed to pay Mr. Hobson or Mr. Nikzad in their capacities as directors. In the future the Company may need to hire additional officers, directors, scientific advisory board members and other employees, which will impact the Company's financial condition and results of operations, as discussed herein.

There are no compensatory plans or arrangements, including payments to be received from the Company with respect to any executive officer, that would result in payments to such person because of his

or her resignation, retirement or other termination of employment with the Company, any change in control or a change in the person's responsibilities following a change in control of the Company.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Controlling shares of the stock of Orthogonal are beneficially owned by David Nikzad and Jason Hobson, who are also officers and directors of the Company. Additionally, David currently serves as the Chief Executive of the Company, and Jason serves as the Treasurer and Secretary. Upon completion of this Offering, Orthogonal will own a controlling share of our stock and will be able to elect all our directors and control the executive management of the Company. Therefore, David Nikzad and Jason Hobson will be able to control all matters submitted to our stockholders for approval, as well as our management and affairs including the approval of any merger, consolidation or sale of all or substantially all of our assets. This concentration of voting power could delay or prevent an acquisition of the Company on terms that other stockholders may desire. Orthogonal and the Company are also parties to the License Agreement.

TERMS OF THE SECURITIES

The summary below describes the principal terms of the Securities. Certain of the provisions described below are subject to important limitations and exceptions. Prospective purchasers should review the Subscription Agreement in its entirety, attached hereto as ***Annex A****. If any of the provisions of the Subscription Agreement are inconsistent with or contrary to the descriptions or terms in this Memorandum, the terms of the Subscription Agreement will control.*

Issuer	Ei. Ventures, Inc.
Securities	Common Stock
Offering Size	USD $5,000,000
Purchasers	Each purchaser of the Securities (a) if in the United States, or a U.S. Person (as defined in Regulation S under the Securities Act), must be an accredited investor, as defined in Regulation D under the Securities Act or (b) if in an offshore transaction (as defined in Regulation S under the Securities Act), must not be a U.S. Person and must not be purchasing for the account or benefit of a U.S. Person.
Form of Payment	The purchase price of the Securities will be designated in U.S. dollars, and payment will be accepted in U.S. dollars or any other currencies or digital assets specifically authorized by us in exchange for the Securities.

Sale Periods	Sales of these Securities will commence on approximately June 22, 2022 and will expire and terminate upon the earlier to occur of (i) the date on which the maximum placement amount of $5,000,000 has been subscribed for and accepted by the Company and a final closing is conducted or (ii) August 22, 2022 (subject to extension by the Company). We may conduct a series of multiple closings. The minimum amount of Securities that must be purchased is $2,470.00 per investor; provided, however, that the Company may waive the minimum amount, as determined by the Company in its sole discretion.
Amendments	The Company reserves the right to amend the terms of the Securities at any time during the Offering prior to the Expiration Date.
Documentation	To invest, each purchaser will be required to complete such documentation as may be requested by or on behalf of the Company, which may include, without limitation: (1) the execution and delivery of a Subscription Agreement, (2) completion of investor qualification requirements, as such procedures are determined by the company, and (3) provision of documents sufficient to enable the verification of such investor's status.
Governing Law	The Securities will be governed by the law of the State of Delaware.
Use of Proceeds	At present, we intend to use the net proceeds for (1) funding Pluto11.11, our subsidiary, (2) investment in companies that may provide future opportunities for collaboration, (3) conducting pre-clinical, clinical development for our drug candidates, and related research program, (4) intellectual property development or acquisition, and (5) working capital and for general corporate purposes.
Risk Factors	See "Risk Factors" and other information included in this Memorandum for a discussion of factors you should carefully consider before deciding to invest in this Offering.

RISK FACTORS

An investment in the Securities involves a high degree of risk. You should consider carefully the risks described below, together with all of the other information contained in this Memorandum and the Subscription Agreement before making an investment decision. The following risks entail circumstances under which the Company's business, financial condition, results of operations and prospects could suffer.

Execution of Merger Agreement

The Company entered into a merger agreement as of May 17, 2022 (the "Merger Agreement"). If the Merger Agreement is consummated, the Company will become a wholly owned subsidiary of a new company (PSLY.com Inc.) that would wholly own the Company and Mycotopia Inc. A summary of the Merger Agreement is set forth below on p. 66. Your shares, the shares of other holders of the Company's Common Stock, and the holders of Mycotopia Inc. common stock would all be converted into shares of PSLY.com Inc. You should carefully review the summary and we encourage you to also carefully review the Merger Agreement, which is available at https://www.sec.gov/ix?doc=/Archives/edgar/data/1763329/000109690622001188/tpia-20220518.htm.

Risks Related to our Financial Position, Need for Additional Capital and Growth Strategy

We are a biopharmaceutical company which has incurred significant losses since our inception. We anticipate that we will incur significant losses for the foreseeable future.

Investment in biotechnology product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will fail to demonstrate effectiveness or an acceptable safety profile, gain regulatory approval and become commercially viable. Any product candidates and digital assets (including the development of any digital assets) will require substantial additional capital expenditures and development time, including extensive clinical research and resources, before we would be able to apply for and then receive marketing authorization and begin generating revenue from product sales.

Since our inception, we have invested most of our resources in making strategic investments in other companies, developing technology, establishing our platform, building our intellectual property portfolio, conducting business planning, raising capital, building our management team and providing general and administrative support for these operations. We anticipate that we will incur significant losses for the foreseeable future and have incurred losses in each year since our inception. We have no products that are approved for commercial sale and have not generated any revenue. We have financed operations solely through the sale of equity securities and convertible debt financings. We continue to incur significant research and development and other expenses related to ongoing operations and expect to incur losses for the foreseeable future. We anticipate continued losses following the completion of this offering.

Because of the numerous risks and uncertainties associated with the development of drugs and medical devices, we are unable to predict the timing or amount of our expenses, or when we will be able to generate any meaningful revenue or achieve or maintain profitability, if ever. In addition, our expenses could increase beyond our current expectations if we are required by the U.S. Food and Drug Administration, or the FDA, the European Medicines Agency, or the EMA, or other comparable foreign regulatory authorities to perform preclinical studies or clinical trials in addition to those that we currently anticipate, or if there are any delays in any of our or our future collaborators' clinical trials or the development of our existing product candidates and any other product candidates that we may identify. Even if our existing product candidates or any future product candidates that we may identify are approved for commercial sale, we anticipate incurring significant costs associated with commercializing any approved product and ongoing compliance efforts.

We have never been profitable. Currently, we have no products ready to submit for regulatory approval or approved for commercial sale, and to date we have not generated any revenue. As a result, our ability to reduce our losses and reach profitability is unproven, and we may never achieve or sustain profitability.

We may never be able to develop or commercialize marketable products or achieve profitability. Revenue from the sale of any product candidate for which regulatory approval is obtained will be dependent, in part, upon the size of the markets in the territories for which we gain regulatory approval, the accepted price for the product, the acceptance of the product by physicians and patients, the ability to obtain reimbursement at any price and whether we own the commercial rights for that territory. Our growth strategy depends on our ability to generate revenue. In addition, if the number of addressable patients is not as anticipated, the indication or intended use approved by regulatory authorities is narrower than expected, or the reasonably accepted population for treatment is narrowed by competition, physician choice or treatment guidelines, we may not generate significant revenue from sales of such products, even if approved. Even if we are able to generate revenue from the sale of any approved products, we may not become profitable and may need to obtain additional funding to continue operations. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods.

Our failure to achieve sustained profitability would depress the value of our company and could impair our ability to raise capital, expand our business, diversify our research and development pipeline, market our product candidates, if approved, and pursue or continue our operations. Our prior losses, combined with expected future losses, have had and will continue to have an adverse effect on our shareholders' equity and working capital.

We have never generated revenue and have never been profitable and do not expect to be profitable in the foreseeable future. We have not yet begun any pre-clinical studies or clinical trials or submitted any drug candidates for approval by regulatory authorities in the United States, Canada, or elsewhere. We have incurred net losses in each year since our inception, including net losses of $0 for the period of May 3, 2019 (inception) through December 31, 2019, net losses of ($666,974) for the period of January 1, 2020 through December 31, 2020, and net losses of ($8,812,211) for the period of January 1, 2021 through December 31, 2021 . We had an accumulated deficit of ($9,479,185) as of December 31, 2021 .

To date, we have devoted most of our financial resources to licensing our intellectual property and our corporate overhead. We have not generated any revenues. Since our operations will continue to be focused on research and development efforts for the near term, we expect to continue to incur losses for the foreseeable future, and we expect these losses to increase when we commence pre-clinical studies and clinical trials, seek regulatory approvals for any drug candidates, prepare for and begin the commercialization of any approved products and add infrastructure and personnel to support our drug development efforts and operations as a public company. These net losses and negative cash flows have had, and will continue to have, an adverse effect on our stockholders' equity (deficit) and working capital.

Because of the numerous risks and uncertainties associated with drug development, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to achieve profitability. In addition, our expenses could increase if we are required by the FDA, HC or other regulatory authorities to perform studies or trials in addition to those currently expected, or if there are any delays in commencing or completing our clinical trials or the development of any of our drug candidates. The amount of future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenues.

Even if we consummate this offering, we will require substantial additional funding to achieve our business goals. If we are unable to obtain this funding when needed and on acceptable terms, we could be forced to delay, limit or terminate our product development efforts.

We anticipate using the proceeds of this Offering to fund the research and development aimed at identifying

and creating prospective drug candidates and facilitating pre-clinical studies of the same. Developing drug products , including conducting research, pre-clinical studies and clinical trials, is expensive. We will require additional future capital in order to begin and complete the research, development and clinical and regulatory activities necessary to bring our drug candidates to market in the future.

In addition to funding research, development, pre-clinical and subsequent clinical development of any drug candidates, our financial resources will also be used for general corporate purposes, general and administrative expenses, capital expenditures, working capital and prosecution and maintenance of our licensed patents to the extent required under our License Agreement. Accordingly, we will continue to require substantial additional capital to continue our research and development activities. Because successful development of our drug candidates is uncertain, we are unable to estimate the actual funds we will require to complete research and development and commercialize our drug candidates under development.

The amount and timing of our future funding requirements will depend on many factors, including but not limited to:

- whether there is early success in identifying and creating novel prospective drug candidates;
- the progress, costs, results of and timing of our drug candidate trials for the treatment of MDD, and the future pre-clinical and clinical development of our drug candidates for other potential indications;
- the number and characteristics of drug candidates that we pursue;
- the ability of our drug candidates to progress through future pre-clinical and future clinical development successfully;
- need to expand research and development activities;
- the costs associated with securing and establishing commercialization and manufacturing capabilities;
- market acceptance of our drug candidates;
- the costs of acquiring, licensing or investing in businesses, products, drug candidates and technologies;
- our ability to maintain, expand and defend the scope of our intellectual property portfolio rights, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the filing, prosecution, defense and enforcement of any patents or other intellectual property rights;
- our need and ability to hire additional management and scientific and medical personnel;
- the effect of competing technological and market developments;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems; and
- the economic and other terms, timing of and success of our existing licensing arrangements and any collaboration, licensing or other arrangements into which we may enter in the future.

Some of these factors are outside of our control. Based on our current financial resources, our expected level of operating expenditures and the expected net proceeds of this Offering, we believe that we will be able to fund our projected operating requirements for at least the next 12 months. This period could be shortened if there are any significant increases in planned spending on development programs or more rapid progress of development programs than anticipated. The expected net proceeds from this Offering, together with our existing cash and cash equivalents, will not be sufficient for us to fund any drug candidates through

regulatory approval, and we will need to raise additional capital to complete the development and commercialization of any drug candidates. We expect to finance our cash needs primarily through equity offerings and potentially through debt financings, collaborations and development agreements.

Additional funding may not be available to us on acceptable terms or at all. In addition, the terms of any financing may adversely affect the holdings or the rights of our stockholders. In addition, the issuance of additional shares by us, or the possibility of such issuance, may cause the market price of our shares, if and when established, to decline.

If we are unable to obtain funding on a timely basis, we may be required to significantly curtail one or more of our drug development programs. We also could be required to seek funds through arrangements with collaborative partners or otherwise that may require us to relinquish rights to some of our technologies or drug candidates or otherwise agree to terms unfavorable to us.

We have built our pipeline through business development efforts and have advanced programs through early stages of development. Developing biopharmaceutical products is expensive and time consuming, and we expect to require substantial additional capital to conduct research, preclinical studies and clinical trials for our current and future programs, establish pilot scale and commercial scale manufacturing processes and facilities, seek regulatory approvals for our product candidates and launch and commercialize any products for which we receive regulatory approval, including building our own commercial sales, marketing and distribution organization. Our management and strategic decision makers have not made decisions regarding the future allocation of certain of our resources among our programs but evaluate the needs and opportunities with respect to each of these programs routinely and on a case-by-case basis, including with respect to determinations relating to our exercise of options to acquire additional equity in companies in which we do not currently own a majority interest. In connection with any collaboration agreements relating to our programs, we may also be responsible for the payments to third parties of expenses that may, in certain instances, include milestone payments, license maintenance fees and royalties, including in the case of certain of our agreements with academic institutions or other companies from whom intellectual property rights underlying their respective programs have been in-licensed or acquired. Because the outcome of any preclinical or clinical development and regulatory approval process is highly uncertain, we cannot reasonably estimate the actual amounts necessary to successfully complete the development, regulatory approval process and potential commercialization of our product candidates and any future product candidates we may identify.

Even if we believe we have sufficient funds for our current or future operating plans, we may opportunistically seek additional capital if market conditions are favorable or if we have specific strategic considerations. Our spending will vary based on new and ongoing product development, investment opportunities, and business development activities. Any such additional fundraising efforts for us may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize product candidates that we may identify and pursue. Moreover, such financing may result in dilution to shareholders, imposition of debt covenants and repayment obligations, or other restrictions that may affect our business. Changing circumstances, some of which may be beyond our control, could cause us to consume capital significantly faster than we currently anticipate, and we may need to seek additional funds sooner than planned.

Our future funding requirements, both short-term and long-term, will depend on many factors, including, but not limited to:

- the time and cost necessary to complete ongoing and planned clinical trials;
- the outcome, timing and cost of meeting regulatory requirements established by the FDA, the EMA and other comparable foreign regulatory authorities;
- the progress, timing, scope and costs of our preclinical studies, clinical trials and other related activities for our ongoing and planned clinical trials, and potential future clinical trials;

- the costs of obtaining clinical and commercial supplies of raw materials and drug products for our product candidates, as applicable, and any other product candidates we may identify and develop;
- our ability to successfully identify and negotiate acceptable terms for third-party supply and contract manufacturing agreements with contract manufacturing organizations, or CMOs;
- the costs of commercialization activities for any of our product candidates that receive marketing approval, including the costs and timing of establishing product sales, marketing, distribution and manufacturing capabilities, or entering into strategic collaborations with third parties to leverage or access these capabilities;
- the amount and timing of sales and other revenues from our product candidates, if approved, including the sales price and the availability of coverage and adequate third-party reimbursement;
- the cash requirements in purchasing additional equity from certain of our Ei. Ventures companies upon the achievement of specified development milestone events;
- the cash requirements of developing our programs and our ability and willingness to finance their continued development;
- the cash requirements of any future acquisitions or discovery of product candidates;
- the time and cost necessary to respond to technological and market developments, including other products that may compete with one or more of our product candidates;
- the costs of acquiring, licensing or investing in intellectual property rights, products, product candidates and businesses;
- the costs of maintaining, expanding and protecting our intellectual property portfolio; and
- our ability to attract, hire and retain qualified personnel as we expand research and development and establish a commercial infrastructure.

We cannot be certain that additional funding will be available on acceptable terms, or at all. Market volatility resulting from the COVID-19 pandemic and the related U.S. and global economic impact or other factors could also adversely impact our ability to access funds as and when needed. If adequate funds are not available to us on a timely basis, we may be required to delay, limit or terminate one or more research or development programs or the potential commercialization of any approved products or be unable to expand operations or otherwise capitalize on business opportunities, as desired, which could materially affect our business, prospects, financial condition and results of operations.

We have no operating history, and we expect a number of factors to cause our operating results to fluctuate on a quarterly and annual basis, which may make it difficult to predict our future performance.

We are a "development stage" biotechnology company with no operating history. Our activities to date have been limited to obtaining an exclusive license for our psilocybin compositions. Although we have identified psilocybin as a new drug candidate, we have not started pre-clinical studies or clinical trials or obtained regulatory approvals for any drug candidates. Consequently, any predictions made about our future success or viability may not be as accurate as they could be if we had an operating history or approved products on the market. Our financial condition and operating results may significantly fluctuate from quarter-to-quarter or year-to-year due to a variety of factors, many of which are beyond our control. Factors relating to our business that may contribute to these fluctuations include:

- any delays in pre-clinical studies of our drug candidates, including delays in the identification of target indications;

- unsatisfactory results of pre-clinical studies of our drug candidates;
- any delays in regulatory review and approval of any drug candidates, including our ability to receive approval from the FDA and HC for drug candidates, and our planned pre-clinical and clinical studies and other work, as the basis for review and approval of drug candidates;
- delays in the commencement, enrollment and timing of clinical trials;
- difficulties in identifying and treating patients suffering from target indications;
- the success of our future studies through all phases of pre-clinical and clinical development;
- potential side effects of our drug candidates that could delay or prevent approval or cause an approved drug to be taken off the market;
- our ability to obtain additional funding to develop drug candidates;
- our ability to identify and develop additional drug candidates;
- market acceptance of our drug candidates;
- our ability to establish an effective sales and marketing infrastructure directly or through collaborations with third parties;
- competition from existing products or new products that may emerge;
- the ability of patients or healthcare providers to obtain coverage or sufficient reimbursement for our products;
- our ability to adhere to clinical study requirements directly or with third parties such as contract research organizations;
- our dependency on third-party manufacturers to manufacture our products and key ingredients;
- our ability to establish or maintain collaborations, licensing or other arrangements;
- the costs to us, and our ability and our third-party collaborators' ability to obtain, maintain and protect our licensed intellectual property rights;
- our ability to adequately support future growth;
- our ability to attract and retain key personnel to manage our business effectively; and
- potential product liability claims.

Accordingly, the results of any quarterly or annual periods should not be relied upon as indications of future operating performance.

Our recurring losses from operations may raise doubt regarding our ability to continue as a going concern.

Because our continuing existence has been dependent upon raising capital to sustain our business, it raises doubt about our ability to continue as a going concern. Such a concern could materially limit our ability to raise additional funds through the issuance of new equity or debt securities or otherwise. There is no assurance that sufficient financing will be available when needed to allow us to continue as a going concern. The perception that we may not be able to continue as a going concern may cause others to choose not to deal with us due to concerns about our ability to meet our contractual obligations.

Raising additional capital may cause dilution to our existing shareholders, restrict our operations or require us to relinquish rights to current product candidates or to any future product candidates on unfavorable terms.

We expect our expenses to increase in connection with our planned operations. Unless and until we can generate a substantial amount of revenue from our product candidates or other business lines, we expect to finance our future cash needs through a combination of public and private equity offerings, debt financings, strategic partnerships, sales of assets and alliances and licensing arrangements. We, and indirectly, our shareholders, will bear the cost of issuing and servicing any such securities and of entering into and maintaining any such strategic partnerships or other arrangements. Because any decision by us to issue debt or equity securities in the future will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of any future financing transactions. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect your rights as a shareholder. The incurrence of additional indebtedness would result in increased fixed payment obligations and could involve additional restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or license intellectual property rights and other operating and financing restrictions that could adversely impact our ability to conduct our business. Additionally, any future collaborations we enter into with third parties may provide capital in the near term, but limit our potential cash flow and revenue in the future. If we raise additional funds through strategic partnerships and alliances and licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies or product candidates, or grant licenses or other rights on unfavorable terms.

If we obtain a controlling interest in certain of our existing companies or additional companies in the future, it could adversely affect our operating results and the value of our capital stock, thereby disrupting our business.

As part of our strategy, we have and intend to continue to invest in pharmaceutical, nutraceutical, and technology companies that are developing novel methods and programs to treat mental health conditions, or that may have applications related to the treatment of mental health conditions. Investments in our existing and any future subsidiaries and other companies and the acquisition, in-license or investments in technology involve numerous risks, including, but not necessarily limited to:

- risk of conducting research and development activities in new and innovative therapeutic areas or treatment modalities in which we have little to no experience;
- diversion of financial and managerial resources from existing and currently-anticipated operations;
- successfully combining and integrating a potential acquisition into our existing business to fully realize the benefits of such acquisition; and
- the outcome of any legal proceedings that may be instituted with respect to the proposed acquisition or investment.

If we fail to properly evaluate potential acquisitions, investments, or other transactions associated with the creation of new research and development programs or the maintenance of existing ones, we might not achieve the anticipated benefits of any such acquisition, investment or transaction, we might incur costs in

excess of what we anticipate, and management resources and attention might be diverted from other necessary or valuable activities

Our programs are difficult to value given they are in the development stage.

Investments in early-stage companies, particularly privately held entities, are inherently difficult to value since sales, cash flow and tangible asset values are very limited, which makes the valuation highly dependent on expectations of future development, and any future significant revenues, if they arise, would only arise in the medium to longer terms and are uncertain. Equally, investments in companies that are in the development stage are also difficult to value since sales, cash flow and tangible assets are limited, and valuations are still dependent on expectations of future development. There can be no guarantee that our valuations of our programs will be considered to be correct in light of the early stage of development for many of these entities and their future performance. As a result, we may not realize the full value of our ownership in such subsidiaries which could adversely affect our business and results of operations.

Our product candidates represent novel and innovative potential therapeutic areas, and negative perception of any product candidate that we develop could adversely affect our ability to conduct our business, obtain regulatory approvals or identify alternate regulatory pathways to market for such product candidate.

Our product candidates are considered relatively new and novel breakthrough therapies, including substances that might be controversial, overlooked or underused. Our success will depend upon physicians who specialize in the treatment of mental health conditions prescribing potential treatments that involve the use of our product candidates in lieu of, or in addition to, existing treatments with which they are more familiar and for which greater clinical data may be available. Our product candidates may not be successful in gaining physician acceptance, and this would adversely impact our ability to commercialize our product candidates, even if approved. Access will also depend on consumer acceptance and adoption of products that are commercialized.

In addition, responses by the United States, state, or foreign governments to negative public perception or ethical concerns may result in new legislation or regulations that could limit our ability to develop or commercialize any product candidates, obtain, or maintain regulatory approval, identify alternate regulatory pathways to market or otherwise achieve profitability. More restrictive statutory regimes, government regulations or negative public opinion would have an adverse effect on our business, financial condition, results of operations and prospects and may delay or impair the development and commercialization of our product candidates or demand for any products we may develop.

Risks Relating to Our Business and Strategy Involving Non-Psychoactive Nutritional Supplement Products

The company depends on a small management team.

The company depends primarily on the skill and experience of David Nikzad and Jason Hobson. If the company is not able to call upon any of these people for any reason, its operations and development could be harmed.

The company is controlled by its officers and directors.

David Nikzad and Jason Hobson currently holds a majority of the company's voting stock, and at the conclusion of this offering will continue to hold such stock. Investors in this offering will not have the ability to control a vote by the shareholders or the board of directors.

Our product offerings are new in an industry that is still quickly evolving.

Our proposed Nutritional Supplements offering under Ei.Ventures is a new offering. Despite the experience of our management team, the products we intend to offer are new and have no track record from which to project future performance. Additionally, in light of indefinite changes to distribution outlets in light of the

COVID-19 pandemic, changes in how goods are obtained, and restrictions on some gyms and recreation centers, there is no guarantee we can build our brand and name recognition as quickly as otherwise hoped.

We will face competition from other nutritional supplement companies and our operating results will suffer if we fail to compete effectively.

The nutritional supplement industry is intensely competitive and subject to rapid and significant technological change. We anticipate having competitors in the United States, Canada, Europe and other jurisdictions, including major multinational supplement companies, established supplement companies. There are numerous other companies operating in the nutritional supplement space, many of which have longer operating histories and far greater financial and personnel resources than we do. Known competitors in our space include Life Extension, LLC, Optimum Nutrition, Inc., Thorne Research, Inc., Garden of Life, LLC, Klaire Laboratories, Inc., Herb Farm, LLC, and Pure Encapsulations, LLC, along with many other companies and sellers on Amazon and other marketplaces. Many of these competitors may have greater financial and other resources, such as larger research and development staff and more experienced marketing and manufacturing organizations.

We believe that our ability to successfully compete will depend on, among other things:

- the success of our research and development efforts to identify and develop strong nutritional supplements;
- our ability to commercialize and market any of our nutritional supplements;
- the price of our products;
- our ability to protect our intellectual property rights related to our products;
- our ability to manufacture and sell commercial quantities of any nutritional supplements; and

We currently have no agreements with contract manufacturers for the production of nutritional supplements.

We do not currently intend to manufacture the nutritional supplements that we plan to sell. We currently have no agreements with contract manufacturers for the production of the nutritional supplements and the formulation of sufficient quantities of nutritional supplements.

Product safety and quality concerns, including concerns related to perceived quality of ingredients, could negatively affect the Company's business.

The Company's success with regard to nutritional supplements depends in large part on its ability to maintain consumer confidence in the safety and quality of all its products. The Company intends to develop rigorous product safety and quality standards. However, if products taken to market are or become contaminated or adulterated, the Company may be required to conduct costly product recalls and may become subject to product liability claims and negative publicity, which would cause its business to suffer. In addition, regulatory actions, activities by nongovernmental organizations and public debate and concerns about perceived negative safety and quality consequences of certain ingredients in our products may erode consumers' confidence in the safety and quality issues, whether or not justified, and could result in additional governmental regulations concerning the marketing and labeling of the Company's products, negative publicity, or actual or threatened legal actions, all of which could damage the reputation of the Company's products and may reduce demand for the Company's products.

Quality management plays an essential role in determining and meeting customer requirements, preventing defects, improving the Company's products and services and maintaining the integrity of the data that supports the safety and efficacy of our products.

Our future success with regard to supplements depends on our ability to maintain and continuously improve our quality management program. An inability to address a quality or safety issue in an effective and timely manner may also cause negative publicity, a loss of customer confidence in us or our current or future products, which may result in the loss of sales and difficulty in successfully launching new products. In addition, a successful claim brought against us in excess of available insurance or not covered by indemnification agreements, or any claim that results in significant adverse publicity against us, could have an adverse effect on our business and our reputation.

We must correctly predict, identify, and interpret changes in consumer preferences and demand, offer new products to meet those changes, and respond to competitive innovation. Consumer preferences for our products change continually.

Our success depends on our ability to predict, identify, and interpret the tastes and habits of consumers and to offer products that appeal to consumer preferences. If we do not offer products that appeal to consumers, our sales and market share will decrease. We must distinguish between short-term fads, mid- term trends, and long-term changes in consumer preferences. If we do not accurately predict which shifts in consumer preferences will be long-term, or if we fail to introduce new and improved products to satisfy those preferences, our sales could decline. In addition, because of our anticipated varied customer base, we must offer an array of products that satisfy the broad spectrum of consumer preferences. If we fail to expand our product offerings successfully across product categories, or if we do not rapidly develop products in faster growing and more profitable categories, demand for our products could decrease, which could materially and adversely affect our product sales, financial condition, and results of operations. In addition, achieving growth depends on our successful development, introduction, and marketing of innovative new products and line extensions. Successful innovation depends on our ability to correctly anticipate customer and consumer acceptance, to obtain, protect and maintain necessary intellectual property rights, and to avoid infringing the intellectual property rights of others and failure to do so could compromise our competitive position and adversely impact our business.

One of the potential risks we face in the distribution of our products is liability resulting from counterfeit or tainted products infiltrating the supply chain.

Because we intend to source ingredients from various sources, we will rely on various suppliers and their quality control measures. While we intend to have procedures to maintain the highest quality levels in our products, we may be subject to faulty, spoiled or tainted ingredients or components in our products, which would negatively affect our products and our customers' experience with them and could decrease customer demand for our products. In addition, if there are serious illness or injury due to our products, there can be no assurance that the insurance coverage we plan to maintain is sufficient or will be available in adequate amounts or at a reasonable cost, or that indemnification agreements will provide us with adequate protection.

We are vulnerable to fluctuations in the price and supply of ingredients, packaging materials, and freight.

The prices of the ingredients, packaging materials, and freight are subject to fluctuations in price attributable to, among other things, changes in supply and demand of raw materials or other commodities. The sales prices to our customers will be a delivered price. Therefore, changes in our input costs could impact our gross margins. Our ability to pass along higher costs through price increases to our customers will be dependent upon competitive conditions and pricing methodologies employed in the various markets in which we intend to compete. To the extent competitors do not also increase their prices, customers and consumers may choose to purchase competing products or may shift purchases to lower-priced private label or other value offerings which may adversely affect our results of operations. We will use significant quantities of raw materials and food ingredients as well as packaging materials provided by third-party suppliers. We will also likely buy from a variety of producers and manufacturers, and alternate sources of supply are generally available. However, the supply and price are subject to market conditions and are

influenced by other factors beyond our control. The occurrence of any of the foregoing could increase our costs and disrupt our operations.

Substantial disruption to production at our manufacturing and distribution facilities could occur.

A disruption in production at our third-party manufacturing facilities could have an adverse effect on our business. In addition, a disruption could occur at the facilities of our future suppliers or distributors. The disruption could occur for many reasons, including pandemic (such as the novel COVID-19 pandemic), fire, natural disasters, weather, water scarcity, manufacturing problems, disease, strikes, transportation or supply interruption, government regulation, cybersecurity attacks or terrorism. Alternative facilities with sufficient capacity or capabilities may not be available, may cost substantially more or may take a significant time to start production, each of which could negatively affect our business and results of operations.

Future product recalls or safety concerns could adversely impact our results of operations.

We may be required to recall certain of our products should they be mislabeled, contaminated, spoiled, tampered with or damaged. We also may become involved in lawsuits and legal proceedings if it is alleged that the consumption or use of any of our products causes injury, illness, or death. A product recall or an adverse result in any such litigation could have an adverse effect on our business, depending on the costs of the recall, the destruction of product inventory, competitive reaction and consumer attitudes. Even if a product liability or consumer fraud claim is unsuccessful or without merit, the negative publicity surrounding such assertions regarding our products could adversely affect our reputation and brand image. We also could be adversely affected if consumers in our principal markets lose confidence in the safety and quality of our products.

The consolidation of retail customers could adversely affect us.

Retail customers, such as supermarkets, warehouse clubs, and supplements distributors in our major markets, may consolidate, resulting in fewer customers for our business. Consolidation also produces larger retail customers that may seek to leverage their position to improve their profitability by demanding improved efficiency, lower pricing, increased promotional programs, or specifically tailored products. In addition, larger retailers have the scale to develop supply chains that permit them to operate with reduced inventories or to develop and market their own white-label brands. Retail consolidation and increasing retailer power could adversely affect our product sales and results of operations. Retail consolidation also increases the risk that adverse changes in our customers' business operations or financial performance will have a corresponding material and adverse effect on us. For example, if our customers cannot access sufficient funds or financing, then they may delay, decrease, or cancel purchases of our products, or delay or fail to pay us for previous purchases, which could materially and adversely affect our product sales, financial condition, and operating results.

Evolving tax, environmental, food quality and safety or other regulations or failure to comply with existing licensing, labeling, trade, food quality and safety and other regulations and laws could have a material adverse effect on our consolidated financial condition.

Our activities or products related to nutritional supplements, both in and outside of the United States, are subject to regulation by various federal, state, provincial and local laws, regulations and government agencies, including the U.S. Food and Drug Administration, U.S. Federal Trade Commission, the U.S. Departments of Agriculture, Commerce and Labor, as well as similar and other authorities outside of the United States, International Accords and Treaties and others, including voluntary regulation by other bodies. These laws and regulations and interpretations thereof may change, sometimes dramatically, as a result of a variety of factors, including political, economic or social events. The manufacturing, marketing, and distribution of health supplements are subject to governmental regulation that control such matters as quality and safety, ingredients, advertising, product or production requirements, labeling, import or export of our products or ingredients, relations with distributors and retailers, health and safety, the environment,

and restrictions on the use of government programs to purchase certain of our products. We are also regulated with respect to matters such as licensing requirements, trade and pricing practices, tax, anticorruption standards, advertising and claims, and environmental matters. The need to comply with new, evolving or revised tax, environmental, food quality and safety, labeling or other laws or regulations, or new, or changed interpretations or enforcement of existing laws or regulations, may have an adverse effect on our business and results of operations. Further, if we are found to be out of compliance with applicable laws and regulations in these areas, we could be subject to civil remedies, including fines, injunctions, termination of necessary licenses or permits, or recalls, as well as potential criminal sanctions, any of which could have an adverse effect on our business. Even if regulatory review does not result in these types of determinations, it could potentially create negative publicity or perceptions which could harm our business or reputation.

Significant additional labeling or warning requirements may inhibit sales of affected products.

Various jurisdictions may seek to adopt significant additional product labeling or warning requirements relating to the content or perceived adverse health consequences of our products. If these types of requirements become applicable to our products under current or future environmental or health laws or regulations, they may inhibit sales of such products.

Growth rates higher than planned or the introduction of new products requiring special ingredients could create higher demand for ingredients greater than we can source.

Although we believe that there are alternative sources available for our key ingredients, there can be no assurance that we would be able to acquire such ingredients from substitute sources on a timely or cost effective basis in the event that then-current suppliers could not adequately fulfill orders, which would adversely affect our business and results of operations.

We source certain packaging materials and other shipping materials from a number of third-party suppliers.

Although we believe that alternative suppliers are available, the loss of any of our future packaging material suppliers could adversely affect our results of operations and financial condition. Our inability to preserve the current economics of these agreements could expose us to significant cost increases in future years.

We will likely rely, in part, on our third-party co-manufacturers to maintain the quality of our products.

The failure or inability of these co-manufacturers to comply with the specifications and requirements of our products could result in product recall and could adversely affect our reputation. Third-party co-manufacturers will be required to maintain the quality of our products and to comply with our product specifications and requirements for certain certifications. Our third-party co-manufacturers will also be required to comply with all federal, state and local laws with respect to food safety. However, our third-party co-manufacturers may not continue to produce products that are consistent with our standards or that are in compliance with applicable laws, and we cannot guarantee that we will be able to identify instances in which our third-party co-manufacturer fails to comply with our standards or applicable laws. Any such failure, particularly if it is not identified by us, could harm our brand and reputation as well as our customer relationships. We would have these same issues with any new co-manufacturer, and they may be exacerbated due to the newness of the relationship. The failure of any manufacturer to produce products that conform to our standards could materially and adversely affect our reputation in the marketplace and result in product recalls, product liability claims and severe economic loss.

As a health supplement company, all of our products must be compliant with regulations by the Food and Drug Administration (FDA).

We must comply with various FDA rules and regulations, including those regarding product manufacturing, food safety, required testing and appropriate labeling of our products. It is possible that regulations by the

FDA and its interpretation thereof may change over time. As such, there is a risk that our products could become non-compliant with the FDA's regulations and any such non-compliance could harm our business.

Certain of our raw material contracts will likely have minimum purchase commitments that could require us to continue to purchase raw materials even if our sales have declined.

We will likely be contractually obligated to purchase a certain amount of raw materials from our suppliers even if we do not have the customer demand to sustain such purchases. The purchase of raw materials, which we are not able to convert into finished products and sell to our customers would have a negative effect on our business and results of operations.

Our profitability may be negatively affected by inventory shrinkage.

We are subject to the risk of inventory loss and theft. We may experience significant inventory shrinkage and cannot be sure that incidences of inventory loss and theft will decrease in the future or that the measures we are taking will effectively reduce the problem of inventory shrinkage. Although some level of inventory shrinkage is an unavoidable cost of doing business, if we were to experience higher rates of inventory shrinkage or incur increased security costs to combat inventory theft, our business and results of operations could be affected adversely.

Failure to execute our inventory management process could adversely affect our business.

We must also properly execute our inventory management strategies by appropriately allocating merchandise among our distributors, timely and efficiently distributing inventory to distributors, maintaining an appropriate mix and level of inventory at the distributors and effectively managing pricing and markdowns, and there is no assurance we will be able to do so. Failure to effectively execute our inventory management strategies could adversely affect our performance and our relationship with our customers.

We may not timely identify or effectively respond to consumer trends or preferences, whether involving physical retail, e-commerce retail or a combination of both retail offerings, which could negatively affect our relationship with our customers and the demand for our products and services.

It will be difficult to predict consistently and successfully the products our customers will demand. The success of our business depends in part on how accurately we predict consumer demand, availability of merchandise, the related impact on the demand for existing products and the competitive environment, whether for customers purchasing products at stores, through e-commerce businesses or through the combination of both potential retail offerings. A critical piece of identifying consumer preferences involves price transparency, assortment of products, customer experience and convenience. These factors are of primary importance to customers and they continue to increase in importance, particularly as a result of digital tools and social media available to consumers and the choices available to consumers for purchasing products online, at physical locations, or through a combination of both retail offerings. Failure to timely identify or effectively respond to changing consumer tastes, preferences (including the key factors described above) and spending patterns, whether for physical retail offerings, ecommerce offerings or through a combination of these retail offerings, could negatively affect our relationship with our customers and the demand for our products and services.

Our business and results of operations may be adversely affected if we are unable to maintain our customer experience or provide high quality customer service.

The success of our business largely depends on our ability to provide superior customer experience and high quality customer service, which in turn depends on a variety of factors, such as our ability to continue to provide a reliable and user-friendly website interface for our customers to browse and purchase our products, reliable and timely delivery of our products, and superior after sales services. Our sales may decrease if our website services are severely interrupted or otherwise fail to meet our customer requests. Should we or our third-party delivery companies fail to provide our product delivery and return services in

a convenient or reliable manner, or if our customers are not satisfied with our product quality, our reputation and customer loyalty could be negatively affected. As a result, if we are unable to continue to maintain our customer experience and provide high quality customer service, we may not be able to retain existing customers or attract new customers, which could have an adverse effect on our business and results of operations.

Our advertising and marketing efforts may be costly and may not achieve desired results.

We will very likely incur substantial expense in connection with our advertising and marketing efforts. Although we intend to target our advertising and marketing efforts potential customers who we believe are likely to be in the market for the products we sell, we cannot assure you that our advertising and marketing efforts will achieve our desired results. In addition, we will periodically adjust our advertising expenditures in an effort to optimize the return on such expenditures. Any decrease in the level of our advertising expenditures, which may be made to optimize such return could adversely affect our sales.

We may be required to collect sales tax on our direct marketing operations.

With respect to the direct sales, sales or other similar taxes are collected primarily in states where we have a physical presence or personal property. However, various states or foreign countries may seek to impose sales tax collection obligations on out-of-state direct mail companies. A successful assertion by one or more states that we or one or more of our subsidiaries should have collected or should be collecting sales taxes on the direct sale of our merchandise could have an adverse effect on our business.

Government regulation is evolving and unfavorable changes could harm our business.

We are subject to general business regulations and laws, as well as regulations and laws specifically governing the Internet, e-commerce, electronic devices, and other services. Existing and future laws and regulations may impede our growth. These regulations and laws may cover taxation, privacy, data protection, pricing, content, copyrights, distribution, mobile communications, electronic device certification, electronic waste, energy consumption, environmental regulation, electronic contracts and other communications, competition, consumer protection, web services, the provision of online payment services, information reporting requirements, unencumbered Internet access to our services, the design and operation of websites, the characteristics and quality of products and services, and the commercial operation of unmanned aircraft systems. It is not clear how existing laws governing issues such as property ownership, libel, and personal privacy apply to the Internet, e-commerce, digital content, and web services. Jurisdictions may regulate consumer-to-consumer online businesses, including certain aspects of our seller programs. Unfavorable regulations and laws could diminish the demand for our products and services and increase our cost of doing business.

Changes in federal, state or local laws and regulations could increase our expenses and adversely affect our results of operations.

Our business is subject to a wide array of laws and regulations. The current political environment, financial reform legislation, the current high level of government intervention and activism and regulatory reform may result in substantial new regulations and disclosure obligations and/or changes in the interpretation of existing laws and regulations, which may lead to additional compliance costs as well as the diversion of our management's time and attention from strategic initiatives. If we fail to comply with applicable laws and regulations, we could be subject to legal risk, including government enforcement action and class action civil litigation that could disrupt our operations and increase our costs of doing business. Changes in the regulatory environment regarding topics such as privacy and information security, product safety or environmental protection, including regulations in response to concerns regarding climate change, collective bargaining activities, minimum wage laws and health care mandates, among others, could also cause our compliance costs to increase and adversely affect our business and results of operations.

Failure to obtain new clients or renew client contracts on favorable terms could adversely affect results of operations.

We may face pricing pressure in obtaining and retaining our clients. Our clients may be able to seek price reductions from us when they renew a contract, when a contract is extended, or when the client's business has significant volume changes. On some occasions, this pricing pressure may result in lower revenue from a client than we had anticipated based on our previous agreement with that client. This reduction in revenue could result in an adverse effect on our business and results of operations. Further, failure to renew client contracts on favorable terms could have an adverse effect on our business.

Our business could be negatively impacted by cyber security threats, attacks and other disruptions.

Like others in our industry, we will face advanced and persistent attacks on our information infrastructure where we manage and store various proprietary information and sensitive/confidential data relating to our operations. These attacks may include sophisticated malware (viruses, worms, and other malicious software programs) and phishing emails that attack our products or otherwise exploit any security vulnerabilities. These intrusions sometimes may be zero-day malware that are difficult to identify because they are not included in the signature set of commercially available antivirus scanning programs. Experienced computer programmers and hackers may be able to penetrate our network security and misappropriate or compromise our confidential information or that of our customers or other third- parties, create system disruptions, or cause shutdowns. Additionally, sophisticated software and applications that we procure from third-parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of the information infrastructure. A disruption, infiltration or failure of our information infrastructure systems or any of our data centers as a result of software or hardware malfunctions, computer viruses, cyber attacks, employee theft or misuse, power disruptions, natural disasters or accidents could cause breaches of data security, loss of critical data and performance delays, which in turn could adversely affect our business.

Risks Relating to Our Business and Strategy for Psychoactive Compounds

We may not succeed in developing viable drug candidates, which could result in the entire loss of your investment.

Although we have obtained the rights to a number of novel compositions containing psilocybin, none of them have been tested to evaluate their potential as a new drug product. We intend to conduct pre-clinical research on one or more of our compositions in order to develop data necessary to file an Investigational New Drug ("**IND**") application in the United States and/or a clinical trial application ("**CTA**") in Canada. There is no assurance that the results of these studies will demonstrate that the compositions are viable new drug candidates. If the results of the studies are unsatisfactory, we would be confronted with altering the compositions and/or attempting to formulate new compositions that might constitute viable new drug candidates. If our current compositions are not viable, and we are unsuccessful in formulating different, viable compositions, our business could fail, resulting in the complete loss of your investment.

We will face competition from other biotechnology and pharmaceutical companies and our operating results will suffer if we fail to compete effectively.

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. We anticipate having competitors in the United States, Canada, Europe and other jurisdictions, including major multinational pharmaceutical companies, established biotechnology companies, specialty pharmaceutical and generic drug companies and universities and other research institutions. There are a number of other companies operating in the psilocybin space, many of which have longer operating histories and far greater financial and personnel resources than we do. Known competitors in our space include Champignon Brands Inc., Mind Medicine, Inc., Revive Therapeutics Ltd., COMPASS Pathways, Ltd, Field Trip Health, Inc., Cybin, Inc, and Eluesis, Ltd. Many of these competitors

may have greater financial and other resources, such as larger research and development staff and more experienced marketing and manufacturing organizations. Large pharmaceutical companies, in particular, have extensive experience in clinical testing, obtaining regulatory approvals, recruiting patients and manufacturing drugs. These companies may also have significantly greater research, sales and marketing capabilities and collaborative arrangements in our target markets with leading companies and research institutions. Established pharmaceutical companies may also invest heavily to accelerate discovery and development of novel compounds or to in-license novel compounds that could make the drug candidates that we develop obsolete. As a result of all of these factors, our competitors may succeed in obtaining patent protection and/or approval from the U.S. Food and Drug Administration ("**FDA**"), Health Canada ("**HC**"), or other regulatory authorities or discovering, developing and commercializing drugs for diseases that we are targeting before we do. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies. Our competitors may succeed in developing, acquiring or licensing on an exclusive basis, technologies and drug products that are more effective or less costly than the drug candidates that we are currently developing or that we may develop, which could render our products obsolete and/or noncompetitive.

We believe that our ability to successfully compete will depend on, among other things:

- the success of our research and development efforts to identify and develop novel drug candidates;
- the speed at which we develop drug candidates;
- the results of our pre-clinical and clinical trials;
- our ability to recruit and enroll patients for clinical trials;
- the efficacy, safety and reliability of our drug candidates;
- our ability to design and successfully execute appropriate clinical trials;
- our ability to maintain a good relationship with regulatory authorities;
- the timing and scope of regulatory approvals;
- our ability to commercialize and market any of our drug candidates that receive regulatory approval;
- the price of our products;
- adequate levels of reimbursement under private and governmental health insurance plans, including Medicare;
- our ability to protect our intellectual property rights related to our products;
- our ability to manufacture and sell commercial quantities of any approved products to the market; and
- acceptance of our drug candidates by physicians and other health care providers.

If our competitors market products that are more effective, safer, or less expensive than our future products, if any, or that reach the market sooner than our future products, if any, we may not achieve commercial success. In addition, the biopharmaceutical industry is characterized by rapid technological change. If we fail to stay at the forefront of technological change, we may be unable to compete effectively. Technological advances or products developed by our competitors may render our drug candidates obsolete, less competitive or not economical.

A pandemic, epidemic, or outbreak of an infectious disease, such as the COVID-19 pandemic, may materially and adversely affect our business, including our preclinical studies, clinical trials, third

parties on whom we rely, our supply chain, our ability to raise capital, our ability to conduct regular business and our financial results.

We are subject to risks related to public health crises such as the COVID-19 pandemic. The COVID-19 pandemic originated in Wuhan, China, in December 2019 and has since spread to a large number of countries, including the United States and most European countries. The pandemic and policies and regulations implemented by governments in response to the pandemic, often directing businesses and governmental agencies to cease non-essential operations at physical locations, prohibiting certain nonessential gatherings and ceasing non-essential travel have also had a significant impact, both direct and indirect, on businesses and commerce, as worker shortages have occurred, supply chains have been disrupted, facilities and production have been suspended, and demand for certain goods and services, such as medical service and supplies, has spiked, while demand for other goods and services, such as travel, has fallen. The full extent to which COVID-19 will ultimately impact our business, preclinical trials and financial results will depend on future developments, which are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of COVID-19 and the actions to contain COVID-19 or treat its impact, among others. Global health concerns, such as the COVID-19 pandemic, could also result in social, economic, and labor instability in the countries in which we or the third parties with whom we engage operate.

The COVID-19 pandemic may also affect employees of third-party CROs located in affected geographies that we will rely upon to carry out our clinical trials. As COVID-19 continues to be present and spread around the globe, we may experience additional disruptions that could severely impact our business and clinical trials, including:

- delays or difficulties in enrolling patients in our clinical trials;
- delays or difficulties in clinical site initiation, including difficulties in recruiting clinical site investigators and clinical site staff;
- diversion of healthcare resources away from the conduct of clinical trials, including the diversion of sites or facilities serving as our clinical trial sites and staff supporting the conduct of our clinical trials, including our trained therapists, or absenteeism due to the COVID-19 pandemic that reduces site resources;
- interruption of key clinical trial activities, such as clinical trial site monitoring, due to limitations on travel imposed or recommended by federal, state or national governments, employers and others or interruption of clinical trial subject visits and study procedures, the occurrence of which could affect the integrity of clinical trial data;
- risk that participants enrolled in our clinical trials will acquire COVID-19 while the clinical trial is ongoing, which could impact the results of the clinical trial, including by increasing the number of observed adverse events or patient withdrawals from our trials;
- limitations in employee resources that would otherwise be focused on conducting our clinical trials, including because of sickness of employees or their families or the desire of employees to avoid contact with large groups of people;
- delays in receiving authorizations from regulatory authorities to initiate our planned pre-clinical and clinical work;
- delays in clinical sites receiving the supplies and materials needed to conduct our clinical trials;
- interruption in global shipping that may affect the transport of clinical trial materials used in our clinical trials;

- changes in local regulations as part of a response to the COVID-19 pandemic which may require us to change the ways in which our clinical trials are conducted, which may result in unexpected costs, or the discontinuation of the clinical trials altogether;
- interruptions or delays in preclinical studies due to restricted or limited operations at research and development laboratory facilities;
- delays in necessary interactions with local regulators, ethics committees and other important agencies and contractors due to limitations in employee resources or forced furlough of government employees; and
- refusal of the FDA, the EMA, the MHRA or the other regulatory bodies to accept data from clinical trials in affected geographies outside the United States or the EU or other relevant local geography.

Any negative impact the COVID-19 pandemic has on patient enrollment or treatment or the development of our investigational therapeutic candidates could cause costly delays to clinical trial activities, which could adversely affect our ability to obtain regulatory approval for and to commercialize our investigational psilocybin therapy and any future therapeutic candidates, if approved, increase our operating expenses, and have a material adverse effect on our financial results. The COVID-19 pandemic has also caused significant volatility in public equity markets and disruptions to the United States and global economies. This increased volatility and economic dislocation may make it more difficult for us to raise capital on favorable terms, or at all. Although we have begun to experience the impact of the COVID-19 pandemic on our business and operations, we cannot currently predict the scope and severity of any potential business shutdowns or disruptions. If we or any of the third parties with whom we engage, however, were to experience shutdowns or other business disruptions, our ability to conduct our business in the manner and on the timelines presently planned could be materially and negatively affected, which could have a material adverse impact on our business and our results of operations and financial conditions. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also heighten many of the other risks described in this ‘‘Risk Factors’’ section, such as those relating to the timing and completion of our clinical trials and our ability to obtain future financing.

We may utilize third-party contractors for a substantial portion of our operations and may not be able to control their work as effectively as if we performed these functions ourselves.

We may outsource substantial portions of our research and development pre-clinical and clinical study operations, and contemplated future small- and large-scale manufacturing to third-party service providers. Any agreements with third-party service providers and clinical research organizations (“**CROs**”) are expected to be on a study-by-study and project-by-project basis. Typically, we may terminate the agreements with notice and are responsible for the supplier’s previously incurred costs. In addition, any CRO that we retain will be subject to the FDA’s, HC’s, and/or another country’s regulatory requirements, and we would not have control over compliance with these regulations by these providers. Consequently, if these providers were not to adhere to applicable governing practices and standards, the development, manufacturing and commercialization of our drug candidates could be delayed or stopped, which could severely harm our business and financial condition.

Because we intend to rely on third parties for some functions, our internal capacity to perform these functions will be limited to management oversight. Outsourcing these functions involves the risk that third parties may not perform to our standards, may not produce results in a timely manner or may fail to perform at all. It is possible that we could experience difficulties in the future with our third-party service providers. In addition, the use of third-party service providers requires us to disclose our proprietary information to these parties, which could increase the risk that this information will be misappropriated. There are a limited number of third-party service providers that specialize or have the expertise required to achieve our business objectives. Identifying, qualifying and managing performance of third-party service providers can be

difficult, time consuming and cause delays in our development programs. We have limited internal resources available to identify and monitor third-party service providers. To the extent we are unable to identify, retain and successfully manage the performance of third-party service providers in the future, our business may be adversely affected, and we may be subject to the imposition of civil or criminal penalties if their conduct of clinical trials violates applicable law.

A variety of risks associated with potential international business relationships could materially adversely affect our business.

We may enter into agreements with third parties in Canada or other countries for the development and commercialization of our drug candidates in international markets. International business relationships subject us to additional risks that may materially adversely affect our ability to attain or sustain profitable operations, including:

- differing regulatory requirements for drug approvals internationally;
- potentially reduced protection for our licensed intellectual property rights;
- potential third-party patent rights in countries outside of the United States;
- the potential for so-called "parallel importing," which is what occurs when a local seller, faced with relatively high local prices, opts to import goods from another jurisdiction with relatively low prices, rather than buying them locally;
- unexpected changes in tariffs, trade barriers and regulatory requirements;
- economic weakness, including inflation, or political instability, particularly in non-U.S. economies and markets;
- compliance with tax, employment, immigration and labor laws for employees traveling abroad;
- taxes in other countries;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incident to doing business in another country;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters, including earthquakes, volcanoes, typhoons, floods, hurricanes and fires.

We will need to expand our operations and increase the size of our company, and we may experience difficulties in managing growth.

As we increase the number of our ongoing drug development programs and our drug candidates, in the future, commence pre-clinical studies and clinical trials, we will need to increase our drug development, scientific and administrative headcount to manage these programs. In addition, we will need to increase our general and administrative capabilities. Our management, personnel and systems currently in place may not be adequate to support this future growth. Our need to effectively manage our operations, growth and various projects requires that we:

- successfully attract and recruit new employees or consultants with the expertise and experience we will require;

- manage pre-clinical and clinical programs effectively, which we anticipate being conducted at numerous sites; and
- continue to improve our operational, financial and management controls, reporting systems and procedures.

If we are unable to successfully manage this growth and increased complexity of operations, our business may be adversely affected.

We may not be able to manage our business effectively if we are unable to attract and retain key personnel and consultants.

We may not be able to attract or retain qualified management, finance, scientific and clinical personnel and consultants due to the intense competition for qualified personnel and consultants among biotechnology, pharmaceutical and other businesses. If we are not able to attract and retain necessary personnel and consultants to accomplish our business objectives, we may experience constraints that will significantly impede the achievement of our development objectives, our ability to raise additional capital and our ability to implement our business strategy.

Our industry has experienced a high rate of turnover of management personnel in recent years. We are highly dependent on the expertise of our President and key employees, and our ability to implement our business strategy successfully could be seriously harmed if we lose the services of our President or key employees. Replacing executive officers or key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to develop, gain regulatory approval of and commercialize products successfully. Competition to hire and retain employees and consultants from this limited pool is intense, and we may be unable to hire, train, retain or motivate these additional key personnel or consultants. Our failure to hire or retain key employees or consultants could materially harm our business.

In addition, we will continue to add scientific and medical advisors who assist us in formulating our research, development and clinical strategies. These advisors are not our employees and may have commitments to, or consulting or advisory contracts with, other entities that may limit their availability to us, and typically they will not enter into non-compete agreements with us. If a conflict of interest arises between their work for us and their work for another entity, we may lose their services. In addition, our advisors may have arrangements with other companies to assist those companies in developing products or technologies that may compete with ours.

Security breaches, loss of data and other disruptions could compromise sensitive information related to our business, prevent us from accessing critical information or expose us to liability, which could adversely affect our business and our reputation.

We utilize information technology systems and networks to process, transmit and store electronic information in connection with our business activities. As the use of digital technologies has increased, cyber incidents, including deliberate attacks and attempts to gain unauthorized access to computer systems and networks, have increased in frequency and sophistication. These threats pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data, all of which are vital to our operations and business strategy. There can be no assurance that we will be successful in preventing cyber-attacks or successfully mitigating their effects.

Despite the implementation of security measures, our computer systems and those of our future CROs and other third-party service providers are vulnerable to damage or disruption from hacking, computer viruses, software bugs, unauthorized access or disclosure, natural disasters, terrorism, war, and telecommunication, equipment and electrical failures. In addition, there can be no assurance that we will promptly detect any such disruption or security breach, if at all. Unauthorized access, loss or dissemination could disrupt our operations, including our ability to conduct research and development activities, process

and prepare company financial information, and manage various general and administrative aspects of our business. To the extent that any such disruption or security breach results in a loss of or damage to our data or applications, or inappropriate disclosure or theft of confidential, proprietary or personal information, we could incur liability, suffer reputational damage or poor financial performance or become the subject of regulatory actions by federal, state or non-US authorities, any of which could adversely affect our business.

Our future employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards, which could significantly harm our business.

We will be exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with the regulations of the FDA, HC, and other regulators, provide accurate information to the FDA, HC, and other regulators, comply with health care fraud and abuse laws and regulations in the United States, Canada, and abroad, report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the health care industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, 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 our reputation. Our board of directors plans to adopt a code of ethics and business conduct, but, even with such adoption, it is not always possible to identify and deter employee misconduct. The precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant fines or other sanctions.

If we successfully identify and create a candidate drug, we will face potential product liability exposure, and if successful claims are brought against us, we may incur substantial liability for a drug candidate and may have to limit its commercialization.

The use of drug candidates in clinical trials and the sale of any products for which marketing approval is obtained may cause exposure to the risk of product liability claims. Product liability claims may be brought against us or our potential future collaborators by participants enrolled in our clinical trials, patients, health care providers or others using, administering or selling our products. If we cannot successfully defend ourselves against any such claims, we would incur substantial liabilities. Regardless of merit or eventual outcome, product liability claims may result in:

- withdrawal of clinical trial participants;
- termination of clinical trial sites or entire trial programs;
- costs of related litigation;
- substantial monetary awards to patients or other claimants;
- decreased demand for our drug candidates and loss of revenues;
- impairment of our business reputation;
- diversion of management and scientific resources from our business operations; and
- the inability to commercialize our drug candidates.

Insurance policies may be expensive and only protect us from some business risks, which will leave us exposed to significant uninsured liabilities.

We do not know if we will be able to obtain and maintain insurance with adequate levels of coverage. Any significant uninsured liability may require us to pay substantial amounts, which may adversely affect our financial position and results of operations.

Risks Relating to Controlled Substances

Our drug candidates contain controlled substances, the use of which may generate public controversy.

Since our drug candidates contain, or are derived from, controlled substances, their regulatory approval may generate public controversy. Political and social pressures and adverse publicity could lead to delays in approval of, and increased expenses for our drug candidates. These pressures could also limit or restrict the introduction and marketing of one or more of our drug candidates. Adverse publicity from psilocybin misuse or adverse side effects from psilocybin products may adversely affect the commercial success or market penetration achievable by our drug candidates. The nature of our business attracts a high level of public and media interest, and in the event of any resultant adverse publicity, our reputation may be harmed.

The new drug candidates that we are developing are subject to U.S. and Canadian controlled substance laws and regulations and failure to comply with these laws and regulations, or the cost of compliance with these laws and regulations, may adversely affect the results of our business operations, both during pre-clinical and clinical development and post-approval, and our financial condition.

The drug candidates we plan to develop contain psilocybin, psilocin or other controlled substances as defined in the Controlled Substances Act of 1970 ("**CSA**") for the United States and in CDSA for Canada. Controlled substances are subject to a high degree of regulation under the CSA and CDSA, which establish, among other things, certain registration, manufacturing quotas, security, recordkeeping, reporting, import, export or other requirements administered by the Drug Enforcement Administration ("**DEA**") in the United States and by HC in Canada.

US Controlled Substances Requirements

In the United States, controlled substances are placed into one of five schedules: Schedule I, II, III, IV or V substances. Schedule I substances by definition have a high potential for abuse, no currently "accepted medical use" in the United States, lack accepted safety for use under medical supervision, and may not be prescribed, marketed or sold in the United States. Pharmaceutical products approved for use in the United States may be listed as Schedule II, III, IV or V, with Schedule II substances considered to present the highest potential for abuse or dependence and Schedule V substances the lowest relative risk among such substances. Schedule I and II drugs are subject to the strictest controls under the CSA, including manufacturing and procurement quotas, security requirements and criteria for importation. In addition, dispensing of Schedule II drugs is further restricted. For example, they may not be refilled without a new prescription.

Psilocybin is currently classified as a Schedule I controlled substance, which is viewed as having a high potential for abuse and having no currently accepted medical use in treatment in the United States. No prescriptions may be written for Schedule I substances, and such substances are subject to production quotas imposed by the DEA.

The cities of Denver, Colorado, Oakland, California, and Santa Cruz, California have decriminalized psilocybin. However, these limited city/state laws are in conflict with the CSA, which makes psilocybin use and possession illegal at the federal level. Because psilocybin is a Schedule I controlled substance, the development of a legal psilocybin industry under the laws of these states is in conflict with the CSA, which makes psilocybin use and possession illegal on a national level. If psilocybin is treated like

cannabis, the federal government has the right to regulate and criminalize psilocybin, including for medical purposes, and that federal law criminalizing the use of psilocybin preempts state laws that legalize its use.

If and when our drug candidates receive FDA approval, we expect the finished dosage forms of our psilocybin-based drug candidates may be listed by the DEA as a Schedule II, III, IV, or V controlled substance for them to be prescribed for patients in the United States. Consequently, their manufacture, importation, exportation, domestic distribution, storage, sale and legitimate use will be subject to a significant degree of regulation by the DEA. In addition, the scheduling process may take one or more years beyond FDA approval, thereby delaying the launch of our drug products in the United States. However, the DEA is required to issue a temporary order scheduling the drug within 90 days after the FDA approves the drug and the DEA receives a scientific and medical evaluation and scheduling recommendation from the Department of Health and Human Services. Furthermore, if the FDA, DEA or any foreign regulatory authority determines that any of our drug candidates may have potential for abuse, it may require us to generate more clinical or other data than we currently anticipate to establish whether or to what extent the substance has an abuse potential, which could increase the cost and/or delay the launch of our drug products.

Facilities conducting research, manufacturing, distributing, importing or exporting or dispensing controlled substances must be registered (licensed) to perform these activities and have the security, control, recordkeeping, reporting and inventory mechanisms required by the DEA to prevent drug loss and diversion. All these facilities must renew their registrations annually, except dispensing facilities, which must renew every three years. The DEA conducts periodic inspections of certain registered establishments that handle controlled substances. Obtaining the necessary registrations may result in delay of the manufacturing, development, or distribution of our drug candidates. Furthermore, failure to maintain compliance with the CSA, particularly non-compliance resulting in loss or diversion, can result in regulatory action that could have a material adverse effect on our business, financial condition and results of operations. The DEA may seek civil penalties, refuse to renew necessary registrations, or initiate proceedings to restrict, suspend or revoke those registrations. In certain circumstances, violations could lead to criminal proceedings. Individual states have also established controlled substance laws and regulations. Though state-controlled substances laws often mirror federal law, because the states are distinct jurisdictions, they may separately schedule our drug candidates. While some states automatically schedule a drug based on federal action, other states schedule drugs through rulemaking or a legislative action. State scheduling may delay commercial sale of any product for which we obtain federal regulatory approval and adverse scheduling could have a material adverse effect on the commercial attractiveness of such product. We or our partners or clinical sites must also obtain separate state registrations, permits or licenses in order to be able to obtain, handle, and distribute controlled substances for clinical trials or commercial sale, and failure to meet applicable regulatory requirements could lead to enforcement and sanctions by the states in addition to those from the DEA or otherwise arising under federal law.

To conduct pre-clinical studies or clinical trials with our drug candidates in the United States prior to approval, each of our research sites may be required to obtain and maintain a DEA researcher registration that will allow those sites to obtain, handle and administer the drug candidate. If the DEA delays or denies the grant of a research registration to one or more research sites, the pre-clinical study or clinical trial could be significantly delayed, and we could lose pre-clinical study or clinical trial sites.

Manufacturing of our drug candidates is, and, if approved, our commercial products may be, subject to the DEA's annual manufacturing and procurement quota requirements, if classified as Schedule II. The annual quota allocated to us or our contract manufacturers for the controlled substances in our drug candidates may not be sufficient to meet commercial demand or complete pre-clinical studies or clinical trials. Consequently, any delay or refusal by the DEA in establishing our, or our contract manufacturers', procurement and/or production quota for controlled substances could delay or stop our pre-clinical studies or clinical trials or product launches, which could have a material adverse effect on our business, financial position and operations.

If, upon approval of any of our drug candidates, the product is scheduled as Schedule II or III, we would also need to identify wholesale distributors with the appropriate DEA registrations and authority to distribute the product to pharmacies and other health care providers. We are aware of research that suggests once psilocybin is approver for a medical use, it could be scheduled as Schedule IV. The failure to obtain, or delay in obtaining, or the loss any of those registrations could result in increased costs to us. Furthermore, state and federal enforcement actions, regulatory requirements and legislation intended to reduce prescription drug abuse, such as the requirement that physicians consult a state prescription drug monitoring program, may make physicians less willing to prescribe, and pharmacies to dispense, our products, if approved.

Canadian Controlled Drug Substances Requirements

In Canada, psilocybin is classified by HC as a Schedule III drug under the CDSA, meaning activities such as sale, possession, or production of these substances are prohibited unless they have been authorized for clinical trials or research purposes by HC, consistent with Part J of Canada's Food and Drug Regulations. Under Part J, a party may file a CTA to study psilocybin for a medicinal use. The compliance and monitoring of controlled drugs and substances in Canada is overseen by HC's Office of Controlled Substances, in conjunction with law enforcement agencies. The CDSA provides for the control of substances that can alter mental processes and that may produce harm to health and to society when diverted or misused. Except as authorized under its related regulations, or via an exemption issued under section 56 of the CDSA, most activities involving substances regulated under the CDSA, such as possession, import, export, and production are prohibited. Controlled substances are regulated and grouped into Schedules I to V to the CDSA. Schedule III is considered of less abuse potential than Schedule I.

HC administers the CDSA and its regulations to: (1) allow access for lawful purposes and (2) reduce the risk that controlled substances and precursors will be used for illegal purposes. To meet these two objectives, HC: (1) issues licenses, permits and exemptions, (2) monitors trends of problematic substance use, (3) updates the Schedules to the CDSA based on assessments of new or existing substances, when necessary, (4) works with international organizations and other countries to meet Canada's obligations regarding controlled substances. The CDSA applies to a broad range of parties, including: (1) manufacturers, distributors, importers and exporters who must obtain a license in order to produce, sell, import or export controlled substances and precursors, (2) importers and exporters who must obtain a permit each time they import and export a controlled substance or precursor, (3) health professionals who must comply with requirements when prescribing or administering controlled substances to a patient, and (4) researchers who must obtain permission to have a controlled substance for research purposes.

All regulated parties must comply with requirements for: (1) security, (2) reporting and (3) record-keeping. HC promotes and enforces compliance with the CSDA by: (1) developing and publishing guidance, (2) informing affected parties of any regulatory changes and (3) publishing notices seeking public input on proposed regulatory changes. HC also carries out inspections of regulated parties and monitors regulated activities. HC may take action when a regulated party is not following the rules of the CDSA, including (but are not limited to): (1) issuing warning letters, (2) requiring a corrective action plan and (3) suspending and revoking licenses, permits or exemptions to stop a regulated party from conducting activities. To further enforce the CDSA, HC works with a wide range of partners and stakeholders, including: (1) provincial and territorial governments, (2) other federal departments and agencies, (3) law enforcement agencies, (4) academic, scientific and research communities, (5) non-government organizations, such as national, provincial and territorial health professional associations, (6) federal regulators in other countries and (7) international organizations, such as the United Nations.

In Canada, mushroom spore kits and are legal and are sold openly in stores or on the Internet, as the spores and kits themselves are legal. Online dispensaries exist that openly sell micro doses to Canadian patients with medical prescriptions. The Canadian police tolerates the activity, citing focus on more harmful

criminal drug activities. In September 2019, a motion to prevent the sale of psychoactive mushrooms was defeated by Vancouver council.

In addition to HC, the National Association of Pharmacy Regulatory Authorities ("NAPRA") also has a role in scheduling new drugs, which is separate from HC's scheduling process. NAPRA's role in the drug scheduling process occurs after HC has authorized a drug for sale in Canada and determined whether the drug requires a prescription for sale. NAPRA does not have any role or authority in the authorization of new health products for the Canadian market and does not review products that have been classified as requiring a prescription by HC.

While the federal government determines certain conditions of sale, such as the need for a prescription, provincial/territorial governments have the ability to further specify the conditions of sale of drug products. Prior to 1995, each province and territory had its own system for determining the conditions of sale for non-prescription drugs in Canada, leading to wide variability in the way drugs were sold across Canada. In 1995, NAPRA's members, the pharmacy regulatory authorities across Canada, endorsed a proposal for a national drug scheduling model, to align the provincial/territorial drug schedules so that the conditions of sale for drugs would be more consistent across Canada. This harmonized national model is administered by NAPRA and is called the National Drug Schedules (NDS) program.

All of the provinces and territories, except Quebec, have adopted the National Drug Schedules in some manner. The NDS come into force in each province/territory through provincial regulations. In general, the National Drug Schedules capture drugs that have been authorized for sale and classified as non-prescription by HC. Other products approved by HC (e.g. natural health products, medical devices) are outside the scope of the program and are not considered products for scheduling within the NDS.

The NDS program consists of three schedules and four categories of drugs. Schedule I drugs require a prescription for sale. Schedule II drugs require professional intervention from the pharmacist (e.g., patient assessment and patient consultation) prior to sale. Schedule III drugs must be sold in a licensed pharmacy, but can be sold from the self-selection area of the pharmacy. Unscheduled drugs can be sold without professional supervision, from any retail outlet.

The drug scheduling process usually begins when NAPRA receives a drug scheduling submission from a pharmaceutical company. The National Drug Scheduling Advisory Committee is an expert advisory committee that reviews the drug scheduling submissions received by NAPRA and formulates drug scheduling recommendations. There is a specific process that must be followed during each drug scheduling review, which is outlined in NAPRA's By-law No. 2 and Rules of Procedures. The model for making drug scheduling recommendations embodies a "cascading principle" in which drugs are assessed against specific scheduling factors. A drug is first assessed using the factors for Schedule I. Should sufficient factors apply, the drug remains in that Schedule. If not, the drug is assessed against the Schedule II factors, and if warranted, subsequently against the Schedule III factors. Should the drug not meet the factors for any schedule, it becomes "Unscheduled" (the fourth category).

According to this cascading principle, it is possible, although rare, for NAPRA to place a product in Schedule I that HC has classified as a non-prescription product. This could occur because of the NAPRA policy for drugs not reviewed, which places drugs into Schedule I until they are reviewed, or because of a range of factors considered by the expert advisory committee when applying the cascading drug scheduling model. As described above, the provinces and territories can add additional conditions of sale for non-prescription drugs, but can never be less restrictive than federal legislation.

Once the National Drug Scheduling Advisory Committee has reviewed a particular drug, it will make an interim drug scheduling recommendation. A 30-day consultation period follows, after which the NAPRA Board of Directors will make a final scheduling recommendation. The National Drug Schedules are then amended and the final recommendation is implemented according to the rules in each particular province or territory.

In summary, whereas in the U.S. psilocybin is presumed to have no medical use and is s Schedule I drug, in Canada, psilocybin is classified as a drug with a lower potential for abuse under Schedule III and is being studied in clinically-supervised settings for its potential to treat various conditions such as anxiety, depression, obsessive compulsive disorder and problematic drug use. Currently there are no approved therapeutic products containing psilocybin in Canada or the US. Once a psilocybin- psilocin-containing product were to be approved in Canada, we would expect it to remain Schedule III or a higher level (IV or V) and that NAPRA could schedule as I, requiring a prescription.

Risks Relating to Regulatory Review and Approval of our Drug Candidates

We cannot be certain that any of our new drug candidates will receive regulatory approval, and without regulatory approval we will not be able to market our new drug candidates.

Our business currently depends entirely on the successful development and commercialization of our new drug candidates. Our ability to generate revenue related to product sales, if ever, will depend on the successful development and regulatory approval of our new drug candidates and our licensing of our new drug candidates, in one or more targeted indications. Drug candidates in development have a high risk of failure. We cannot predict when, or if, a drug candidate will prove effective or safe in humans or will receive regulatory approval.

We have no products currently ready for pre-clinical or clinical research or approved for sale and cannot guarantee that there will ever have marketable products. The development of a new drug candidate and issues relating to its approval and marketing are subject to extensive regulation by the FDA in the United States, HC in Canada and regulatory authorities in other countries, with regulations differing from country to country. We are not permitted to market our drug candidates in the United States or Canada until we receive approval of a new drug application ("NDA") from the FDA or a Notice of Compliance ("NOC") and Drug Identification Number ("DIN") associated with a New Drug Submission ("NDS") from HC, respectively. We have not submitted any applications for any of our new drug candidates.

NDAs and NDSs must include extensive pre-clinical and clinical data and supporting information to establish the drug candidate's safety and effectiveness for each desired indication. NDAs and NDSs must also include significant information regarding the chemistry, manufacturing and controls for the product. Obtaining approval of a NDA or a NDS is a lengthy, expensive and uncertain process, and we may not be successful in obtaining approval. The FDA and the HC review processes can take years to complete and approval is never guaranteed. If we submit a NDA to the FDA, the FDA must decide whether to accept or reject the submission for filing. We cannot be certain that any submissions will be accepted for filing and review by the FDA. Regulators of other jurisdictions, such as the HC, have their own procedures for approval of drug candidates. Even if a product is approved, the FDA or the HC, as the case may be, may limit the indications for which the product may be marketed, require extensive warnings on the product labeling or require expensive and time-consuming clinical trials or reporting as conditions of approval. Regulatory authorities in countries outside of the United States and Canada also have requirements for approval of drug candidates with which we must comply prior to marketing in those countries. Obtaining regulatory approval for marketing of a drug candidate in one country does not ensure that we will be able to obtain regulatory approval in any other country. In addition, delays in approvals or rejections of marketing applications in the United States, Canada, or other countries may be based upon many factors, including regulatory requests for additional analyses, reports, data, pre-clinical studies and clinical trials, regulatory questions regarding different interpretations of data and results, changes in regulatory policy during the period of product development and the emergence of new information regarding our drug candidates or other products. Also, regulatory approval for any of our drug candidates may be withdrawn.

Before we submit an NDA to the FDA or an NDS to HC for any of our drug candidates, we must successfully complete pre-clinical studies and subsequent clinical trials. We cannot predict whether our future studies and trials will be successful or whether regulators will agree with our conclusions regarding our pre-clinical studies or clinical trials.

If we are unable to obtain approval from the FDA, HC or other regulatory agencies for our drug candidates, or if, subsequent to approval, we are unable to successfully commercialize our drug candidates, we will not be able to generate sufficient revenue to become profitable or to continue our operations.

If we receive regulatory approvals, we intend to market our drug candidates in multiple jurisdictions where we have no operating experience and may be subject to increased business and economic risks that could affect our financial results.

If we receive regulatory approvals, we plan to market our drug candidates in jurisdictions where we have no experience in marketing, developing and distributing our products and cannot guarantee that we will ever have marketable products. Certain markets have substantial legal and regulatory complexities that we may not have experience navigating. We are subject to a variety of risks inherent in doing business internationally, including risks related to the legal and regulatory environment in non-U.S. jurisdictions, including with respect to privacy and data security, trade control laws and unexpected changes in laws, regulatory requirements and enforcement, as well as risks related to fluctuations in currency exchange rates and political, social and economic instability in foreign countries. If we are unable to manage our international operations successfully, our financial results could be adversely affected.

In addition, controlled substance legislation may differ in other jurisdictions and could restrict our ability to market our products internationally. Most countries are parties to the Single Convention on Narcotic Drugs 1961, which governs international trade and domestic control of narcotic substances. Countries may interpret and implement their treaty obligations in a way that creates a legal obstacle to us obtaining marketing approval for our drug candidates in those countries. These countries may not be willing or able to amend or otherwise modify their laws and regulations to permit our candidates to be marketed, or achieving such amendments to the laws and regulations may take a prolonged period of time. We would be unable to market our candidates in countries with such obstacles in the near future or perhaps at all without modification to laws and regulations.

Delays in the commencement and completion of pre-clinical studies and clinical trials could result in increased costs to us and delay or limit our ability to obtain regulatory approval for our drug candidates.

Delays in the commencement and completion of our future pre-clinical studies and clinical trials could increase our product development costs or limit the regulatory approval of our drug candidates. Based on our current financial resources, our expected level of operating expenditures and expected net proceeds to us from this offering, we believe that we will be able to fund our projected operating requirements for at least the next 12 months. We, however, will require additional funding for our business activities. In addition, we do not know whether any future studies or trials of our drug candidates, will begin on time or will be completed on schedule, if at all. The commencement and completion of pre-clinical studies and clinical trials can be delayed or suspended for a variety of reasons, including:

- inability to obtain sufficient funds required for the commencement of pre-clinical studies and clinical trials;
- inability to reach agreements on acceptable terms with prospective CROs and trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- clinical holds, other regulatory objections to commencing a clinical trial or the inability to obtain regulatory approval to commence a clinical trial in countries that require such approvals;
- discussions with the FDA or non-U.S. regulators regarding the scope or design of our clinical trials;

- inability to identify and maintain a sufficient number of trial sites, many of which may already be engaged in other clinical trial programs, including some that may be for the same indications targeted by our drug candidates;
- inability to obtain approval from institutional review boards, or IRBs, to conduct a clinical trial at their respective sites;
- severe or unexpected drug-related adverse effects experienced by patients;
- inability to timely manufacture sufficient quantities of the drug candidate required for a clinical trial;
- difficulty recruiting and enrolling patients to participate in clinical trials for a variety of reasons, including meeting the enrollment criteria for our study and competition from other clinical trial programs for the same indications as our drug candidates; and
- inability to retain enrolled patients after a clinical trial is underway.

Changes in regulatory requirements and guidance may also occur and we may need to amend clinical trial protocols to reflect these changes with appropriate regulatory authorities. Amendments may require us to resubmit clinical trial protocols to IRBs for re-examination, which may impact the costs, timing or successful completion of a clinical trial. In addition, any future clinical trial may be suspended or terminated at any time by us, our future collaborators, the FDA or other regulatory authorities due to a number of factors, including:

- our failure to conduct a clinical trial in accordance with regulatory requirements of our clinical protocols;
- unforeseen safety issues or any determination that any future clinical trial presents unacceptable health risks;
- lack of adequate funding to begin any future clinical trial due to unforeseen costs or other business decisions; and
- a breach of the terms of any agreement with, or for any other reason by, future collaborators that have responsibility for the clinical development of any of our drug candidates.

In addition, if we, or any of our potential future collaborators, are required to conduct additional pre-clinical studies or clinical trials of our drug candidates beyond those contemplated, our ability to obtain regulatory approval of these drug candidates and generate revenue from their sales would be similarly harmed.

Our new drug candidates may have undesirable side effects which may delay or prevent marketing approval, or, if approval is received, require them to be taken off the market, require them to include safety warnings or otherwise limit their sales.

Unforeseen side effects from any of our new drug candidates could arise either during clinical development or, if approved, after the approved product has been marketed. The range and potential severity of possible side effects from systemic therapies is significant. The results of future clinical trials may show that our drug candidates cause undesirable or unacceptable side effects, which could interrupt, delay or halt clinical trials, and result in delay of, or failure to obtain, marketing approval from the FDA and other regulatory authorities, or result in marketing approval from the FDA and other regulatory authorities with restrictive label warnings.

If any of our new drug candidates receives marketing approval and we or others later identify undesirable or unacceptable side effects caused by such products:

- regulatory authorities may require the addition of labeling statements, specific warnings, a contraindication or field alerts to physicians and pharmacies;
- we may be required to change instructions regarding the way the product is administered, conduct additional clinical trials or change the labeling of the product;
- we may be subject to limitations on how we may promote the product;
- sales of the product may decrease significantly;
- regulatory authorities may require us to take our approved product off the market;
- we may be subject to litigation or product liability claims; and
- our reputation may suffer.

Any of these events could prevent us or our potential future collaborators from achieving or maintaining market acceptance of the affected product or could substantially increase commercialization costs and expenses, which in turn could delay or prevent us from generating significant revenues from the sale of our products.

Reimbursement decisions by third-party payors may have an adverse effect on pricing and market acceptance. If there is not sufficient reimbursement for our drug candidates, if approved, it is less likely that they will be widely used.

Market acceptance and sales of our drug candidates, if approved, will depend on reimbursement policies and may be affected by, among other things, future healthcare reform measures. Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which drugs they will cover and establish payment levels. We cannot be certain that reimbursement will be available for our drug candidates, if approved. Also, we cannot be certain that reimbursement policies will not reduce the demand for, or the price paid for, our drug candidates. If reimbursement is not available or is available on a limited basis, we may not be able to successfully commercialize our drug candidates.

In March 2010, the Patient Protection and Affordable Care Act, or PPACA, as amended by the Health Care and Education Affordability Reconciliation Act, or collectively, ACA, became law in the United States. The goal of ACA is to reduce the cost of health care and substantially change the way health care is financed by both governmental and private insurers. While we cannot predict what impact on federal reimbursement policies this legislation will have in general or on our business specifically, the ACA may result in downward pressure on pharmaceutical reimbursement, which could negatively affect market acceptance of our current or future drug candidates. In addition, some members of the U.S. Congress have been seeking to overturn at least portions of the legislation and we expect they will continue to review and assess this legislation and alternative health care reform proposals. We cannot predict whether new proposals will be made or adopted, when they may be adopted or what impact they may have on us if they are adopted.

In addition, other legislative changes have been proposed and adopted since the PPACA was enacted. On August 2, 2011, the Budget Control Act of 2011 was signed into law, which, among other things, creates the Joint Select Committee on Deficit Reduction to recommend proposals in spending reductions to Congress. The Joint Select Committee did not achieve a targeted deficit reduction of at least $1.2 trillion for the years 2013 through 2021, triggering the legislation's automatic reduction to several government programs. This included aggregate reductions to Medicare payments to providers of up to 2% per fiscal year, which went into effect on April 1, 2013. On January 2, 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several providers, including hospitals, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. Strong, partisan disagreement in Congress has

prevented implementation of various PPACA provisions, and the Trump Administration has made repeal of the PPACA a priority. One of the first executive orders of the Trump administration granted federal agencies broad powers to unwind regulations under the PPACA. On January 11, 2017, the Senate voted to approve a "budget blueprint" allowing Republicans to repeal parts of the law while avoiding Democrat filibuster. The "Obamacare Repeal Resolution" passed 51 – 48 in the Senate. Certain legislators are continuing their efforts to repeal the PPACA, although there is little clarity on how such a repeal would be implemented and what a PPACA replacement might look like. For the immediate future, there is significant uncertainty regarding the health care, health care coverage and health care insurance markets.

The U.S. government has in the past considered, is currently considering and may in the future consider healthcare policies and proposals intended to curb rising healthcare costs, including those that could significantly affect both private and public reimbursement for healthcare services. State and local governments, as well as a number of foreign governments, are also considering or have adopted similar types of policies. Future significant changes in the healthcare systems in the United States or elsewhere, and current uncertainty about whether and how changes may be implemented, could have a negative impact on the demand for our products. We are unable to predict whether other healthcare policies, including policies stemming from legislation or regulations affecting our business, may be proposed or enacted in the future; what effect such policies would have on our business; or the effect ongoing uncertainty about these matters will have on the purchasing decisions of our customers.

We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our products or additional pricing pressures.

If we market products in a manner that violates healthcare fraud and abuse laws, or if we violate government price reporting laws, we may be subject to civil or criminal penalties.

In addition to FDA restrictions on marketing of drugs, several other types of state and federal healthcare laws, commonly referred to as "fraud and abuse" laws, have been applied in recent years to restrict certain marketing practices in the pharmaceutical industry. Other jurisdictions such as Canada have similar laws. These laws include false claims and anti-kickback statutes. If we market our products and our products are paid for by governmental programs, it is possible that some of our business activities could be subject to challenge under one or more of these laws.

Federal false claims laws prohibit any person from knowingly presenting, or causing to be presented, a false claim for payment to the federal government or knowingly making, or causing to be made, a false statement to get a false claim paid. The federal healthcare program anti-kickback statute prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration to induce, or in return for, purchasing, leasing, ordering or arranging for the purchase, lease or order of any healthcare item or service covered by Medicare, Medicaid or other federally financed healthcare programs. This statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, purchasers or formulary managers on the other. Although there are several statutory exemptions and regulatory safe harbors protecting certain common activities from prosecution, the exemptions and safe harbors are drawn narrowly, and practices that involve remuneration intended to induce prescribing, purchasing or recommending may be subject to scrutiny if they do not qualify for an exemption or safe harbor. Most states also have statutes or regulations similar to the federal anti-kickback law and federal false claims laws, which apply to items and services covered by Medicaid and other state programs, or, in several states, apply regardless of the payor. Administrative, civil and criminal sanctions may be imposed under these federal and state laws.

Over the past few years, a number of pharmaceutical and other healthcare companies have been prosecuted under these laws for a variety of promotional and marketing activities, such as: providing free trips, free goods, sham consulting fees and grants and other monetary benefits to prescribers; reporting inflated average wholesale prices that were then used by federal programs to set reimbursement rates;

engaging in off-label promotion; and submitting inflated best price information to the Medicaid Rebate Program to reduce liability for Medicaid rebates.

If the FDA and HC and other regulatory agencies do not approve the manufacturing facilities of our future contract manufacturers for commercial production, we may not be able to commercialize any of our drug candidates.

We do not currently intend to manufacture the drugs that we plan to sell. We currently have no agreements with contract manufacturers for the production of the active pharmaceutical ingredients and the formulation of sufficient quantities of drug product for our drug candidates' pre-clinical studies and clinical trials and that we believe we will need to conduct prior to seeking regulatory approval.

We do not have agreements for commercial supplies of any of our drug candidates and we may not be able to reach agreements with these or other contract manufacturers for sufficient supplies to commercialize a drug candidate if it is approved. Additionally, the facilities used by any contract manufacturer to manufacture a drug candidate must be the subject of a satisfactory inspection before the FDA or the regulators in other jurisdictions approve the drug candidate manufactured at that facility. We will be completely dependent on these third-party manufacturers for compliance with the requirements of U.S. and non-U.S. regulators for the manufacture of our finished products. If our manufacturers cannot successfully manufacture material that conform to our specifications and current good manufacturing practice requirements of any governmental agency whose jurisdiction to which we are subject, our drug candidates will not be approved or, if already approved, may be subject to recalls. Reliance on third-party manufacturers entails risks to which we would not be subject if we manufactured the drug candidates, including:

- the possibility that we are unable to enter into a manufacturing agreement with a third party to manufacture our drug candidates;
- the possible breach of the manufacturing agreements by the third parties because of factors beyond our control; and
- the possibility of termination or nonrenewal of the agreements by the third parties before we are able to arrange for a qualified replacement third-party manufacturer.

Any of these factors could cause the delay of approval or commercialization of our drug candidates, cause us to incur higher costs or prevent us from commercializing our drug candidates successfully. Furthermore, if any of our drug candidates are approved and contract manufacturers fail to deliver the required commercial quantities of finished product on a timely basis and at commercially reasonable prices and we are unable to find one or more replacement manufacturers capable of production at a substantially equivalent cost, in substantially equivalent volumes and quality and on a timely basis, we would likely be unable to meet demand for our products and could lose potential revenue. It may take several years to establish an alternative source of supply for our drug candidates and to have any such new source approved by the government agencies that regulate our products.

Even if our new drug candidates receive regulatory approval, we may still face future development and regulatory difficulties.

Our drug candidates, if approved, will also be subject to ongoing regulatory requirements for labeling, packaging, storage, advertising, promotion, record-keeping and submission of safety and other post-market information. In addition, approved products, manufacturers and manufacturers' facilities are required to comply with extensive FDA and HC requirements and requirements of other similar agencies, including ensuring that quality control and manufacturing procedures conform to current good manufacturing practices, or cGMPs. As such, we and our contract manufacturers will be subject to continual review and periodic inspections to assess compliance with cGMPs. Accordingly, we and others with whom we work must continue to expend time, money and effort in all areas of regulatory compliance, including

manufacturing, production and quality control. We will also be required to report certain adverse reactions and production problems, if any, to the FDA and HC and other similar agencies and to comply with certain requirements concerning advertising and promotion for our products. Promotional communications with respect to prescription drugs are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the product's approved label. Accordingly, we may not promote our approved products, if any, for indications or uses for which they are not approved.

If a regulatory agency discovers previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured, or disagrees with the promotion, marketing or labeling of a product, it may impose restrictions on that product or us, including requiring withdrawal of the product from the market. If our drug candidates fail to comply with applicable regulatory requirements, a regulatory agency may:

- issue warning letters;
- mandate modifications to promotional materials or require us to provide corrective information to healthcare practitioners;
- require us or our potential future collaborators to enter into a consent decree or permanent injunction, which can include imposition of various fines, reimbursements for inspection costs, required due dates for specific actions and penalties for noncompliance;
- impose other administrative or judicial civil or criminal penalties;
- withdraw regulatory approval;
- refuse to approve pending applications or supplements to approved applications filed by us or our potential future collaborators;
- impose restrictions on operations, including costly new manufacturing requirements; or
- seize or detain products.

Risks Relating to the Commercialization of Our Products

Even if approved, our drug candidates may not achieve broad market acceptance among physicians, patients and healthcare payors, and as a result our revenues generated from their sales may be limited.

The commercial success of our drug candidates, if approved, will depend upon their acceptance among the medical community, including physicians, health care payors and patients. The degree of market acceptance of our drug candidates will depend on a number of factors, including:

- limitations or warnings contained in our drug candidates' approved labeling;
- changes in the standard of care or availability of alternative therapies at similar or lower costs for the targeted indications for any of our drug candidates;
- limitations in the approved clinical indications for our drug candidates;
- demonstrated clinical safety and efficacy compared to other products;
- lack of significant adverse side effects;

- sales, marketing and distribution support;
- availability of reimbursement from managed care plans and other third-party payors;
- timing of market introduction and perceived effectiveness of competitive products;
- the degree of cost-effectiveness;
- availability of alternative therapies at similar or lower cost, including generics and over-the-counter products;
- the extent to which our drug candidates are approved for inclusion on formularies of hospitals and managed care organizations;
- whether our drug candidates are designated under physician treatment guidelines for the treatment of the indications for which we have received regulatory approval;
- adverse publicity about our drug candidates or favorable publicity about competitive products;
- convenience and ease of administration of our drug candidates; and
- potential product liability claims.

If our drug candidates are approved, but do not achieve an adequate level of acceptance by physicians, patients, the medical community and healthcare payors, sufficient revenue may not be generated from these products and we may not become or remain profitable. In addition, efforts to educate the medical community and third-party payors on the benefits of our drug candidates may require significant resources and may never be successful.

We have no sales, marketing or distribution capabilities and we will have to invest significant resources to develop those capabilities or enter into acceptable third-party sales and marketing arrangements.

We have no sales, marketing or distribution capabilities. To develop internal sales, distribution and marketing capabilities, we will have to invest significant amounts of financial and management resources, some of which will be committed prior to any confirmation that our initial drug candidate or any of our other drug candidates will be approved. For drug candidates where we decide to perform sales, marketing and distribution functions ourselves or through third parties, we could face a number of additional risks, including:

- we or our third-party sales collaborators may not be able to attract and build an effective marketing or sales force;
- the cost of securing or establishing a marketing or sales force may exceed the revenues generated by any products; and
- our direct sales and marketing efforts may not be successful.

We may have limited or no control over the sales, marketing and distribution activities of these third parties. Our future revenues may depend heavily on the success of the efforts of these third parties.

We may not be successful in establishing and maintaining development and commercialization collaborations, which could adversely affect our ability to develop certain of our drug candidates and our financial condition and operating results.

Because developing drugs, conducting clinical trials, obtaining regulatory approval, establishing manufacturing capabilities and marketing approved products are expensive, we may seek collaborations with companies that have more experience. Additionally, if any of our drug candidates receives marketing approval, we may enter into sales and marketing arrangements with third parties. If we are unable to enter

into arrangements on acceptable terms, if at all, we may be unable to effectively market and sell our products in our target markets. We expect to face competition in seeking appropriate collaborators. Moreover, collaboration arrangements are complex and time consuming to negotiate, document and implement and they may require substantial resources to maintain. We may not be successful in our efforts to establish and implement collaborations or other alternative arrangements for the development of our drug candidates.

When we collaborate with a third party for development and commercialization of a drug candidate, we can expect to relinquish some or all of the control over the future success of that drug candidate to the third party. For example, we may relinquish the rights to a drug candidate in jurisdictions outside of the United States. Our collaboration partner may not devote sufficient resources to the commercialization of our drug candidates or may otherwise fail in their commercialization. The terms of any collaboration or other arrangement that we establish may not be favorable to us. In addition, any collaboration that we enter into may be unsuccessful in the development and commercialization of our drug candidates. In some cases, once we have begun pre-clinical and initial clinical development of a drug candidate, we may be responsible for continuing research, or research programs under a collaboration arrangement, and the payment we receive from our collaboration partner may be insufficient to cover the cost of this development. If we are unable to reach agreements with suitable collaborators for our drug candidates, we would face increased costs, we may be forced to limit the number of our drug candidates we can commercially develop or the territories in which we commercialize them and we might fail to commercialize products or programs for which a suitable collaborator cannot be found. If we fail to achieve successful collaborations, our operating results and financial condition may be materially and adversely affected.

Risks Associated with Our Securities

The offering price of $4.94 per share is arbitrary.

The offering price of $4.94 per share has been arbitrarily determined by our management and does not bear any correlative relationship to the assets, net worth or projected earnings of the Company, or any other generally accepted criteria of value.

Our Offering is being conducted on a "best efforts" basis and does not require a minimum amount to be raised. As a result, we may not be able to raise enough funds to fully implement our business plan and our investors may lose their entire investment.

This Offering is on a "best efforts" basis and does not require a minimum amount to be raised. If we are not able to raise sufficient funds, we may not be able to fund our operations as planned, and our growth opportunities may be materially adversely affected. This could increase the likelihood that an investor may lose their entire investment.

There is no underwriter or placement agent for this Offering, so no outside independent party has verified any of the statements contained in this Offering Circular.

Although we reserve the right to engage one or more sales agents, placement agents or underwriters in the future, currently there are no sales agents, placement agents or underwriters in connection with this Offering. As a result, no sales agents, placement agents or underwriters have performed a due diligence review or valuation of the Company specifically in connection with this Offering.

Our executive officers, directors and Orthogonal, the principal stockholder, have the ability to control all matters submitted to stockholders for approval.

Controlling shares of the stock of Orthogonal are beneficially owned by David Nikzad and Jason Hobson, who are also directors of the Company. Additionally, David currently serves as the President of

the Company, and Jason serves as the Treasurer and Secretary. Upon completion of this Offering, Orthogonal will own a controlling share of our stock and will be able to elect all our directors and control the executive management of the Company. Therefore, David Nikzad and Jason Hobson will be able to control all matters submitted to our stockholders for approval, as well as our management and affairs including the approval of any merger, consolidation or sale of all or substantially all of our assets. This concentration of voting power could delay or prevent an acquisition of the Company on terms that other stockholders may desire.

Because we do not currently have an audit committee, compensation committee or any other form of corporate governance committee, shareholders will have to rely on our directors, none of whom is independent, to perform these functions.

We do not have an audit committee, compensation committee or any form of corporate governance committee. The board of directors performs these functions as a whole, and no members of the board of directors is an independent director. Accordingly, there is a potential conflict in that board members who are also part of management will participate in discussions concerning management compensation and audit issues that may affect management decisions.

Management will have discretion as to the use of proceeds from this Offering.

The Company reserves the right to use the funds obtained from this Offering for other purposes not presently contemplated that it deems to be in the best interests of the Company and its stockholders in order to address changed circumstances or opportunities. Because of the foregoing, the success of the Company will be substantially dependent upon the discretion and judgment of the Company's management with respect to application and allocation of the net proceeds of this Offering. Investors for the Common Stock offered hereby will be entrusting their funds to the Company's management, upon whose judgment and discretion the investors must depend.

No public market for our Common Stock currently exists, and an active trading market may not develop or be sustained.

Our Common Stock is not currently quoted or traded on any trading market, and there can be no assurance that an active public market for our Common Stock will ever develop in the future. In the absence of an active trading market:

- investors may have difficulty buying and selling or obtaining market quotations.
- market visibility for our Common Stock may be limited; and
- a lack of visibility for our Common Stock may have a depressive effect on any market price for our Common Stock that might develop.

We do not intend to seek a trading market for the Common Stock after an initial or final closing of this Offering. Because we have discretion with respect to if, when or where our Common Stock will be publicly traded, there can be no assurance that our Common Stock will ever be quoted or listed or traded on any trading market or, if listed, quoted or traded, that an active public market will develop or be sustained. Moreover, there can be no assurance that security analysts of brokerage firms will provide coverage of our Company, if at all. If there is no active trading market for our Common Stock or coverage of our Company by security analysts of brokerage firms, you may be unable to dispose of your Shares at desirable prices or at all. Moreover, there is a risk that our Common Stock could be delisted from any trading market on which it may be quoted or traded in the future.

The lack of an active trading market may also impair our ability to raise capital to continue to fund operations by selling securities and may impair our ability to acquire additional intellectual property assets by using our securities as consideration.

Financial Industry Regulatory Authority sales practice requirements may also limit your ability to buy and sell our Common Stock, which could depress the price of our securities.

Financial Industry Regulatory Authority, or FINRA, rules require broker-dealers to have reasonable grounds for believing that an investment is suitable for a customer before recommending that investment to the customer. Prior to recommending speculative low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status and investment objectives, among other things. Under interpretations of these rules, FINRA believes that there is a high probability such speculative low-priced securities will not be suitable for at least some customers. Thus, FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our Common Stock, which may limit your ability to buy and sell our Common Stock once publicly traded, have an adverse effect on the market for our Common Stock, and thereby depress its market price.

Even if our Common Stock becomes publicly traded and an active trading market develops, the market price of our Common Stock may be volatile, and purchasers of our Common Stock could incur substantial losses.

Even if our Common Stock becomes publicly traded and even if an active trading market develops for our Common Stock, of which no assurances can be given, the market price of our Common Stock may be volatile and subject to wide fluctuations in response to various factors. The stock market in general, and the market for new drug companies, in particular, have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. The market price for our Common Stock may also be influenced by many additional factors, including the following:

- our ability to successfully commercialize, and realize revenues from sales of, any products we may develop;
- the performance, safety and side effects of any drug candidates we may develop;
- the success of competitive products or technologies;
- results of clinical trials of any drug candidates we may develop or those of our competitors;
- regulatory or legal developments in the U.S. and other countries, especially changes in laws or regulations applicable to any products we may develop;
- introductions and announcements of new products by us, our commercialization partners, or our competitors, and the timing of these introductions or announcements;
- actions taken by regulatory agencies with respect to our drug candidates, clinical studies, manufacturing process or sales and marketing terms;
- variations in our financial results or those of companies that are perceived to be similar to us;

- the success of our efforts to acquire or in-license additional products or other products we may develop;

- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;

- developments or disputes concerning patents or other proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our products;

- our ability or inability to raise additional capital and the terms on which we raise it;

- the recruitment or departure of key personnel;

- changes in the structure of healthcare payment systems;

- market conditions in the pharmaceutical and biotechnology sectors;

- actual or anticipated changes in earnings estimates or changes in stock market analyst recommendations regarding our securities, other comparable companies or our industry generally;

- general economic, industry and market conditions; and

- the other risks described in this "*Risk Factors*" section.

These broad market and industry factors may seriously harm the market price of our Common Stock, regardless of our operating performance. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially and adversely affect our business, financial condition, results of operations and prospects.

We do not intend to pay dividends on our Common Stock.

We have not paid any cash dividends on our shares of Common Stock to date. The payment of cash dividends on our Common Stock in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition and will be within the discretion of our board of directors. It is the present intention of our board of directors to retain all earnings, if any, for use in our business operations and, accordingly, our board of directors does not anticipate declaring any dividends on our Common Stock in the foreseeable future. As a result, any gain you will realize on our Common Stock will result solely from the appreciation of your Shares.

You may experience future dilution.

The Company, for business purposes, may from time to time issue additional shares, which may result in dilution of existing shareholders. Dilution is a reduction in the percentage of a stock caused by the issuance of new stock. Dilution can also occur when holders of stock options (such as company employees) or holders of other optionable securities such as warrants exercise their options. When the number of shares outstanding increases, each existing stockholder will own a smaller, or diluted, percentage of the Company, making each share less valuable. Dilution may also reduce the value of existing shares by reducing the stock's earnings per share. There is no guarantee that dilution of the Common Stock will not occur in the future. Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful stockholder claims against us and may reduce the amount of money available to us.

As permitted by Section 102(b)(7) of the Delaware General Corporation Law, our certificate of incorporation limits the liability of our directors to the fullest extent permitted by law. In addition, as permitted by Section 145 of the Delaware General Corporation Law, our certificate of incorporation and by-laws provide that we shall indemnify, to the fullest extent authorized by the Delaware General Corporation Law, each person who is involved in any litigation or other proceeding because such person is or was a director or officer of the company or is or was serving as an officer or director of another entity at our request, against all expense, loss or liability reasonably incurred or suffered in connection therewith. Our certificate of incorporation provides that indemnification includes the right to be paid expenses incurred in defending any proceeding in advance of its final disposition, provided, however, that such advance payment will only be made upon delivery to us of an undertaking, by or on behalf of the director or officer, to repay all amounts so advanced if it is ultimately determined that such director is not entitled to indemnification.

Section 145 of the Delaware General Corporation Law permits a corporation to indemnify any director or officer of the corporation against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with any action, suit or proceeding brought by reason of the fact that such person is or was a director or officer of the corporation, if such person acted in good faith and in a manner that he reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, if he or she had no reason to believe his or her conduct was unlawful. In a derivative action, (i.e., one brought by or on behalf of the corporation), indemnification may be provided only for expenses actually and reasonably incurred by any director or officer in connection with the defense or settlement of such an action or suit if such person acted in good faith and in a manner that he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, except that no indemnification shall be provided if such person shall have been adjudged to be liable to the corporation, unless and only to the extent that the court in which the action or suit was brought shall determine that the defendant is fairly and reasonably entitled to indemnity for such expenses despite such adjudication of liability.

The above limitations on liability and our indemnification obligations limit the personal liability of our directors and officers for monetary damages for breach of their fiduciary duty as directors by shifting the burden of such losses and expenses to us. Certain liabilities or expenses covered by our indemnification obligations may not be covered by such insurance or the coverage limitation amounts may be exceeded. As a result, we might need to use a significant amount of our funds to satisfy our indemnification obligations, which could severely harm our business and financial condition and limit the funds available to stockholders who may choose to bring a claim against the Company.

Provisions in our corporate charter documents and under Delaware law could make an acquisition of us more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our corporate charter and our by-laws may discourage, delay or prevent a merger, acquisition or other change in control of us that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for our securities, thereby depressing the market price of our Common Stock. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team. Among others, these provisions include the following:

- our board of directors has the right to elect directors to fill a vacancy created by the expansion of our board of directors or the resignation, death or removal of a director, which will prevent stockholders from being able to fill vacancies on our board of directors;

- our certificate of incorporation prohibits cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; and

- our board of directors is able to issue, without stockholder approval, shares of undesignated preferred stock, which makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to acquire Company.

These provisions may also frustrate or prevent any attempts by our stockholders to replace or remove our current management or members of our board of directors. In addition, we are subject to Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with an interested stockholder for a period of three years following the date on which the stockholder became an interested stockholder, unless such transactions are approved by our board of directors. This provision could have the effect of delaying or preventing a change of control, whether or not it is desired by or beneficial to our stockholders. Further, other provisions of Delaware law may also discourage, delay or prevent someone from acquiring us or merging with us.

Our certificate of incorporation and by-laws include a forum selection clause, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees, or agents.

Our certificate of incorporation and by-laws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for:

(a) any derivative action or proceeding brought on our behalf;

(b) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees, or agents to us or to our stockholders;

(c) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, the certificate of incorporation, or the by-laws; or

(d) any action asserting a claim governed by the internal affairs doctrine

except that our by-laws provide that as to each of (a) through (d) above, any claim (i) as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court within ten (10) days following such determination), (ii) which is vested in the exclusive jurisdiction of a court or forum other than such court or (iii) for which such court does not have subject matter jurisdiction. In no event, however, shall the Court of Chancery, under our by-laws, constitute an exclusive forum for actions, including derivative actions arising under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, thereby allowing any such actions to be filed in any court having jurisdiction. Our by-laws further provide that if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for the matters specified above.

These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees, or agents, which may discourage lawsuits against us or our directors, officers, employees, or agent. If a court were to find either exclusive-forum provision in our certificate of incorporation or By-laws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

Risks Relating to Our Licensed Intellectual Property

It is difficult and costly to protect our proprietary rights, and we may not be able to ensure their protection. If our licensed patent position does not adequately protect our drug candidates, others could compete against us more directly, which would harm our business, possibly materially.

Our commercial success will depend in part on our licensor and us obtaining and maintaining patent protection and trade secret protection of our current and future drug candidates and the methods used to manufacture them, as well as successfully defending these patents against third-party challenges. Our ability to stop third parties from making, using, selling, offering to sell or importing our drug candidates is dependent upon the extent to which we have rights under valid and enforceable patents or trade secrets that cover these activities and the right under our licensed patent to contest alleged infringement.

The patent positions of biotechnology and pharmaceutical companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. No consistent policy regarding the breadth of claims allowed in pharmaceutical patents has emerged to date in the United States or in many jurisdictions outside of the United States. Changes in either the patent laws or interpretations of patent laws in the United States and other countries may diminish the value of our licensed intellectual property. Accordingly, we cannot predict the breadth of claims that may be enforced in the patents that may be issued from the applications we currently or may in the future own or license from third parties. Further, if any patents we obtain or license are deemed invalid and unenforceable, our ability to commercialize or license our technology could be adversely affected.

Others have filed, and in the future, are likely to file, patent applications covering products and technologies that are similar, identical or competitive to ours or important to our business. We cannot be certain that any patent application owned by a third party will not have priority over patent applications filed or in-licensed by us, or that we or our licensor will not be involved in interference, opposition or invalidity proceedings before U.S. or non-U.S. patent offices.

The degree of future protection for our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- others may be able to develop a platform similar to, or better than, ours in a way that is not covered by the claims of our licensed or owned patents;
- others may be able to make compounds that are similar to our drug candidates but that are not covered by the claims of patents we have or are licensed to us;
- we might not have been the first to make the inventions covered by any pending patent applications which have been or may be filed;
- we might not have been the first to file patent applications for these inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies;
- any patents that we obtain, or are licensed to us, may not provide us with any competitive advantages;

- we, or our licensor, may not develop additional proprietary technologies that are patentable; or
- the patents of others may have an adverse effect on our business.

Without patent protection on the composition of matter of our drug candidates, our ability to assert our patents to stop others from using or selling our drug candidates in a non-pharmaceutically acceptable formulation may be limited.

Due to the patent laws of a country, or the decisions of a patent examiner in a country, or our own filing strategies, we may not obtain patent coverage for all of our drug candidates or methods involving these candidates in the licensor's patent application. We plan to pursue and request our licensor to pursue divisional patent applications or continuation patent applications in the United States and other countries to obtain claim coverage for inventions which were disclosed but not claimed in the parent patent application.

We may also rely on trade secrets to protect our technology, especially where we do not believe patent protection is appropriate or feasible. However, trade secrets are difficult to protect. Although we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors, outside scientific collaborators and other advisors may unintentionally or willfully disclose our information to competitors. Enforcing a claim that a third party illegally obtained and is using any of our trade secrets may be expensive and time consuming, and the outcome is unpredictable. In addition, courts outside the United States are sometimes less willing to protect trade secrets. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how. Our commercial success will depend, in part, on our ability, and the ability of our licensor, to obtain and maintain patent protection. Our or our licensor's failure to obtain and maintain patent protection for our products may have a material adverse effect on our business.

Pursuant to our license agreement with Orthogonal, we have obtained rights to a provisional patent application. Our success may depend, in part, on our ability and the ability of Orthogonal to obtain and enforce patent protection for our proposed products and to preserve our trade secrets. Patent positions in the field of biotechnology and pharmaceuticals are generally highly uncertain and involve complex legal and scientific questions. We cannot be certain that the inventor was the first inventor of the inventions covered by the provisional patent application or that they were the first to file. Accordingly, the provisional patent application and any resulting patents licensed to us may not be valid or afford us protection against competitors with similar technology. The failure to maintain and/or obtain patent protection on the technologies underlying our proposed products may have material adverse effects on our competitive position and business prospects.

We may infringe the intellectual property rights of others, which may prevent or delay our drug development efforts and stop us from commercializing or increase the costs of commercializing our drug candidates.

Our success will depend in part on our ability to operate without infringing the proprietary rights of third parties. We cannot guarantee that our drug candidates, or manufacture or use of our drug candidates, will not infringe third-party patents. Furthermore, a third party may claim that we or our manufacturing or commercialization collaborators are using inventions covered by the third party's patent rights and may go to court to stop us from engaging in our normal operations and activities, including making or selling our drug candidates. These lawsuits are costly and could affect our results of operations and divert the attention of managerial and scientific personnel. There is a risk that a court would decide that we or our commercialization collaborators are infringing the third party's patents and would order us or our collaborators to stop the activities covered by the patents. In that event, we or our commercialization collaborators may not have a viable way around the patent and may need to halt commercialization of the relevant product. In addition, there is a risk that a court will order us or our collaborators to pay the other party damages for having violated the other party's patents. In the future, we may agree to indemnify our commercial collaborators against certain intellectual property infringement claims brought by third parties.

The pharmaceutical and biotechnology industries have produced a proliferation of patents, and it is not always clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If we are sued for patent infringement, we would need to demonstrate that our products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid, and we may not be able to do this. Proving invalidity is difficult. For example, in the United States, proving invalidity requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. Even if we are successful in these proceedings, we may incur substantial costs and divert management's time and attention in pursuing these proceedings, which could have a material adverse effect on us. If we are unable to avoid infringing the patent rights of others, we may be required to seek a license, which may not be available, defend an infringement action or challenge the validity of the patents in court. Patent litigation is costly and time consuming. We may not have sufficient resources to bring these actions to a successful conclusion. In addition, if we do not obtain a license, develop or obtain non-infringing technology, fail to defend an infringement action successfully or have infringed patents declared invalid, we may incur substantial monetary damages, encounter significant delays in bringing our drug candidates to market and be precluded from manufacturing or selling our drug candidates.

We note that the examination of the pending trademark applications for the PSILLY trademark was suspended on December 30, 2020 pending final disposition of Application No. 88/784877 for the mark PSILLY, owned by Unorthodocs Printing, LLC, a New York limited liability company. Unorthodocs Printing, LLC's mark has since registered on September 14, 2021.

We cannot be certain that others have not filed patent applications for technology covered by pending applications subject to our license agreements, or that we were the first to invent the technology, because:

- some patent applications in the United States may be maintained in secrecy until the patents are issued;
- patent applications in the United States are typically not published until 18 months after the priority date; and
- publications in the scientific literature often lag behind actual discoveries.

Our competitors may have filed, and may in the future file, patent applications covering technology similar to ours. Any such patent application may have priority over our patent applications, which could further require us to obtain rights to issued patents covering such technologies. If another party has filed a U.S. patent application on inventions similar to ours, we may have to participate in an interference proceeding declared by the USPTO to determine priority of invention in the United States. The costs of these proceedings could be substantial, and it is possible that such efforts would be unsuccessful if, unbeknownst to us, the other party had independently arrived at the same or similar invention prior to our own invention, resulting in a loss of our U.S. patent position with respect to such inventions. Other countries have similar laws that permit secrecy of patent applications, and may be entitled to priority over our applications in such jurisdictions.

Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise the funds necessary to continue our operations.

We may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights.

If we choose to go to court to stop another party from using the inventions claimed in any patents we may obtain, that individual or company has the right to ask the court to rule that such patents are invalid or should not be enforced against that third party. These lawsuits may be expensive and would consume

time and resources and divert the attention of managerial and scientific personnel even if we were successful in stopping the infringement of such patents. In addition, there is a risk that the court will decide that such patents are not valid and that we do not have the right to stop the other party from using the inventions. There is also the risk that, even if the validity of such patents is upheld, the court will refuse to stop the other party on the ground that such other party's activities do not infringe our rights to such patents. In addition, the U.S. Supreme Court has recently modified some tests used by the U.S. Patent and Trademark Office, or USPTO, in granting patents over the past 20 years, which may decrease the likelihood that we will be able to obtain patents and increase the likelihood of challenge of any patents we obtain or license.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and/or applications. Currently, we rely upon our licensor to fund the payments under our license agreement. We are required to reimburse our licensor for these fees. The USPTO and various non-U.S. governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. However, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, our competitors might be able to enter the market and this circumstance would have a material adverse effect on our business.

RISKS ASSOCIATED WITH OUR SECURITIES

There is no assurance that purchasers of the Securities will receive a return on their investment.

The Securities are highly speculative and any return on an investment in the Securities is contingent upon numerous circumstances, many of which (including legal and regulatory conditions) are beyond the Company's control. There is no assurance that purchasers will realize any return on their investments or that their entire investments will not be lost. For this reason, each purchaser should carefully read this Memorandum and should consult with their own attorney, financial and tax advisors prior to making any investment decision with respect to the Securities. Investors should only make an investment in the Securities if they are prepared to lose the entirety of such investment.

The Company's management will have broad discretion over the use of the net proceeds from this Offering.

At present, we intend to use the net proceeds for (1) investment and joint ventures with companies that may provide future opportunities to for collaboration, (2) intellectual property development or acquisition; and (3) general corporate purposes. The failure by the Company's management to apply these funds effectively could have a material adverse effect on the Company and the value of the Securities.

Holders of the Securities will not have voting rights and will generally have no ability to influence the decisions of the Company.

Holders of the Securities have no voting rights. As a result, all matters submitted to stockholders will be decided by the vote of holders of the Company's capital stock entitled to vote thereon, which shall not include the Securities. Holders of the Securities will have no ability to elect directors or determine the outcome of any other matters submitted to a vote of the Company's stockholders.

The Securities may be subject to registration under the Exchange Act if the Company has assets above $10 million and more than 2,000 record holders, which would increase the Company's costs and require substantial attention from management.

Companies with total assets above $10 million and more than 2,000 holders of record of its equity securities, or 500 holders of record of its equity securities who are not accredited investors, at the end of their fiscal year must register that class of equity securities with the SEC under the Exchange Act. The Company could trigger this requirement as a result of the Offering and be required to register the Capital Stock with the SEC under the Exchange Act, which would be a laborious and expensive process. Furthermore, if such registration takes place, the Company will have materially higher compliance and reporting costs going forward.

Purchasers may lack information for monitoring their investment.

The Securities do not have any information rights attached to them and purchasers may not be able to obtain all the information they would want regarding the Company or the Securities. In particular, investors may not be able to receive information regarding the financial performance of the Company with respect to the ability of the Company. The Company is not currently registered with the SEC and currently has no periodic reporting requirements. As a result of these difficulties, as well as other uncertainties, a purchaser may not have accurate or accessible information about the Company or the Securities.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than compensation arrangements, we describe below transactions and series of similar transactions, since our inception, to which we were a party or will be a party, in which:

- the amounts involved exceeded or will exceed the lesser of $120,000 or 1% of the average of our total assets at year-end for the last two completed fiscal years; and

- any of our directors, executive officers, or holders of more than 5% of our capital stock, or any member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest.

The Company also entered into a Posting Agreement with Orthogonal Portal, LLC, a Utah limited liability company and wholly-owned subsidiary of Orthogonal ("**Orthogonal Portal**") on December 29, 2020 (the "**Posting Agreement**") whereby the Company engaged Orthogonal Portal to provide certain services as the Company's funding platform and technology provider in connection with the Offering. Under the Posting Agreement, the Company will pay Orthogonal Portal a total of $500,000 in two installments. The first installment of $250,000 was due and payable four months after the launch of the Regulation A. The second installment of $250,000 was due and payable seven months after the launch of this Offering. There were no arms-length negotiations for the Posting Agreement and the terms of the Posting Agreement may be more favorable to Orthogonal Portal, and, by extension, Orthogonal, and to our detriment, than had the negotiations been arms-length with third parties.

SECURITIES BEING OFFERED AND DESCRIPTION OF SECURITIES

General

Our authorized capital stock consists of 100,000,000 shares of Common Stock, $0.0001 par value. As of the date of this Offering Circular, there were approximately 65,324,369 shares of Common Stock outstanding and no shares of preferred stock outstanding. As of the date of this the date of this Offering Circular, the Company has granted or committed to grant 6,538,006 options under its 2020 Equity Incentive Plan. The following description summarizes the material terms of our capital stock. Because it is only a summary, it may not contain all the information that is important to you.

Common Stock

Common stockholders of record are entitled to one vote for each share held on all matters to be voted on by stockholders. There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of the shares voted for the election of directors can elect all of the directors. Holders of our Common Stock are entitled to receive ratable dividends when, as and if declared by the board of directors out of funds legally available therefor.

Upon our dissolution, liquidation or winding up, holders of our Common Stock are entitled to share ratably in our net assets legally available after the payment of all our debts and other liabilities, subject to the preferential rights of any preferred stock then outstanding. Holders of our Common Stock have no preemptive, subscription, redemption or conversion rights. The rights, preferences and privileges of holders of Common Stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Repurchases

We may seek to repurchase our outstanding securities from time to time in market or private transactions.

Dividends

We have not paid any cash dividends on our shares of Common Stock to date. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition and will be within the discretion of our board of directors. It is the current intention of our board of directors to retain all earnings, if any, for use in our business operations and, accordingly, our board of directors does not anticipate declaring any dividends in the foreseeable future.

Our Transfer Agent

The transfer agent for our securities is Odyssey Trust Company ("**Odyssey Trust**").

Certain Anti-Takeover Provisions of our Certificate of Incorporation and By-laws

Special meeting of stockholders

Our by-laws provide that special meetings of our stockholders may be called only by a majority vote of our board of directors.

Exclusive Forum

Our certificate of incorporation and by-laws provide that the Court of Chancery of the State of Delaware or, if such court does not have jurisdiction, the federal district court for the District of Delaware, shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim for breach of a fiduciary duty owed by any director, officer, employee or agent of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law, the certificate of incorporation or the by-laws or (iv) any action asserting a claim governed by the internal affairs doctrine, in each case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Under our by-laws, these provisions do not apply to any claim brought to enforce any duty or liability arising under the Securities Act of 1933,

as amended, or the Securities Exchange Act of 1934, as amended, thereby allowing any such claims to be filed in any court having jurisdiction. Although we believe these provisions benefit the company by providing increased consistency in the application of Delaware law in the types of lawsuits to which it applies, they may have the effect of discouraging lawsuits against our officers and directors.

We are offering a maximum of $5,000,000 in this Offering. All net proceeds of this Offering will go to the Company. This Offering is on a "best efforts" basis. As there is no minimum offering, upon the approval of any subscription, the funds received shall immediately be deposited into the bank account (the "**Escrow Account**") of our escrow agent or such other party as the Company may designate (the "**Escrow Agent**"), and the Company will receive such funds upon each closing. Until the Termination Date, the Company may hold one or more additional closings for additional sales (each, an "**Additional Closing**"), up to the maximum amount. Upon each Additional Closing, if any, the proceeds from that Additional Closing will be distributed to us and the associated Shares will be issued to the investors in such Shares.

Minimum Investment

The minimum investment amount per investor is $2,470; however, we can waive the minimum purchase requirement on a case to case basis in our sole discretion. We may waive the minimum investment amount based on the supply and demand for the offered Common Stock. For example, the Company may waive the minimum investment amount if there is not sufficient demand among fewer investors for the offered Common Stock.

Right to Reject Subscriptions

We have the right to review and accept or reject your purchase of Common Stock in whole or in part, for any reason or for no reason. We will return all monies from rejected subscriptions immediately to you, without interest or deductions.

Transfer Agent, Book-Entry Only

The issuance of all Common Stock sold in this Offering will be recorded by our transfer agent, Odyssey Trust, to investors in book-entry only format and will be represented by a stock transfer ledger, maintained by our transfer agent (the "**Transfer Agent**").

CAPITALIZATION

The following table sets out, as of the date of this Offering Circular, the voting securities of the company that are owned by executive officers and directors, and other persons holding more than 10% of any class of the company's voting securities or having the right to acquire those securities. The table assumes that all options and warrants have vested. The company's voting securities include all shares of Common Stock. You should read this information in conjunction with this full Memorandum.

Stock Option Plan

On May 21, 2020, the Company adopted the Ei.Ventures, Inc. 2020 Equity Incentive Plan (the "Plan"). The Plan provides for the grant of incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards and other stock awards. The Plan was amended on Terms of the awards are determined by the board of directors of the Company.

Under the terms of the Plan, 250,000 shares of common stock are authorized for grant to employees, directors and consultants. As of June 30, 2020, no options had been granted.

Certain Key Events

Entry into Merger Agreement

On May 18, 2022, the Company and Mycotopia Therapies Inc. ("**Mycotopia**") entered into an Agreement and Plan of Merger (the "**Merger Agreement**") whereby Mycotopia will merge with a wholly owned subsidiary of PSLY.com. Simultaneously the Company will merge with a separate wholly owned subsidiary of PSLY.com.

At closing each share of common stock of Mycotopia, par value $.001 per share (the "**Mycotopia Common Stock**"), issued and outstanding immediately prior to the effective time of the merger shall be converted into the right to receive 0.25 fully paid and nonassessable share of PSLY.com Common Stock.

At Closing each share of common stock of the Company will be convertible into the right to receive a number of PSLY.com Common Stock equal to (i) the sum of $360,000,000 (Three Hundred Sixty Million Dollars) (ii) divided by $1.56, the result of which is divided by (iii) the product of the total number of shares of the Company's Common Stock then issued and outstanding times four (4).

The closing of the Merger will take place as soon as practicable (and, in any event, within two (2) Business Days) after satisfaction of all conditions to the Mergers.

Potential investors are encouraged to review carefully the Merger Agreement in its entirety. It is available at https://www.sec.gov/ix?doc=/Archives/edgar/data/1763329/000109690622001188/tpia-20220518.htm

Issuance of Securities

Between July 1, 2020 and February 2, 2021, the Company entered into simple agreements for future equity (SAFE Securities), in reliance on Section 4(a)(2) of the Securities Act, with investors for total proceeds of approximately $1,583,589 to raise capital for general business purposes. In connection with the SAFE offering, Orthogonal converted its outstanding loans existing as of December 31, 2020 to the Company in the amount of $678,408.29 into SAFE Securities. The SAFE Securities did not bear interest and had no maturity date. The SAFEs converted into shares of Common Stock in the Company's offering under Regulation A (17 CFR 230.261 et seq.) ("Regulation A").

The Company commenced an offering of its Common Stock in reliance on Regulation A (the "Regulation A Offering") on July 28, 2021 with investors for total proceeds of approximately $21,584,432.90. This amount may increase as the Company continues to collect payments from investors who have signed the subscription agreement but have not yet funded in the Regulation A Offering.

Type of Equity	Outstanding Equity as of December 31, 2021.	Percentage of Equity
Common Stock	65,324,369	90.90%
Options & Warrants 1	6,538,006	9.10%
Preferred Shareholders	0	0%
Total	71,862,375	100%

1 *See* 2020 Equity Incentive Plan for details

USE OF PROCEEDS

The Company's management will have broad discretion in the application of the net proceeds of this Offering and investors will have to rely upon their judgment. At present, we intend to use the net proceeds for (1) funding further strategic opportunities for the Company in the psychoactive and nutraceutical industries; (2) intellectual property development or acquisition; (3) fund pre-clinical laboratory tests of the licensed compositions (4) working capital and general corporate purposes; and (5) support our subsidiary, Pluto11.11 as it begins its mission. The failure by the Company's management to apply these funds effectively could have a material adverse effect on the Company and the value of the Securities.

2020 Equity Incentive Plan

On May 21, 2020, the board of directors and our stockholders approved the Ei.Ventures, Inc. 2020 Equity Incentive Plan, (the "**Plan**"). The Plan was amended on July 20, 2021. The Plan is a stock-based compensation plan that provides for discretionary grants of stock options, stock appreciation rights, restricted stock awards and restricted stock unit awards to employees, non-employee directors and consultants. The purpose of the Plan is to attract, motivate and retain directors, employees and others in a position to affect the financial and operational performance of our Company and to recognize contributions made to our Company by these persons and to provide them with additional incentive to achieve the objectives of our Company. The following is a summary of our Plan.

Administration

The Plan is administered by our board of directors, unless we establish a committee of the board of directors for this purpose. We refer to the body administering our Plan as the "**Administrator**." The Administrator will have full authority to select the individuals who will receive awards under the Plan, determine the form and amount of each of the awards to be granted, and establish the terms and conditions of awards.

Number of Shares of Common Stock

The number of shares of the Common Stock that may be issued under the Plan is 11,500,000, of which the Company has issued 6,538,006 to directors, employees, and advisors. Shares issuable under the Plan may be authorized but unissued shares or treasury shares. If there is a lapse, forfeiture, expiration, termination or cancellation of any award made under the Plan for any reason, the shares subject to the award will again be available for issuance. Any shares subject to an award that are delivered to us by a participant, or withheld by us on behalf of a participant, as payment for an award or payment of withholding taxes due in connection with an award will not again be available for issuance, and all such shares will count toward the number of shares issued under the Plan. The number of shares of Common Stock issuable under the Plan is subject to adjustment, in the event of any reorganization, recapitalization, stock split, stock distribution, merger, consolidation, split-up, spin-off, combination, subdivision, consolidation or exchange of shares, any change in the capital structure of our Company or any similar corporate transaction. In each case, the Administrator has the discretion to make adjustments it deems necessary to preserve the intended benefits under the Plan. No award granted under our Plan may be transferred, except by will or the laws of descent and distribution.

Eligibility

All employees, including consultants, for purposes of our Plan and all non-employee directors are eligible to receive awards under our 2020 plan.

Awards to Participants

The Plan provides for discretionary awards of stock options, stock awards and stock unit awards to participants. Each award made under the Plan will be evidenced by a written award agreement specifying the terms and conditions of the award as determined by the administrator in its sole discretion, consistent with the terms of the Plan.

Stock Options

The Administrator has the discretion to grant non-qualified stock options or incentive stock options to participants and to set the terms and conditions applicable to the options, including the type of option, the number of shares subject to the option and the vesting schedule; provided that the exercise price of each stock option will be the fair market value (as defined in the Plan) of the Common Stock on the date on which the option is granted, except that the exercise price per share under a non-qualified stock option may be less than 100% of the fair market value of such shares on the date such option is granted provided that, and only if, the board of directors approves a lower price after consideration of the application of Section 409A of the Internal Revenue Code, each option will expire no later than ten years from the date of grant and no dividend equivalents may be paid with respect to stock options.

In addition, an incentive stock option granted to an employee is subject to the following rules: (i) the aggregate fair market value (determined at the time the option is granted) of the shares of common stock with respect to which incentive stock options are exercisable for the first time by a key employee during any calendar year (under all incentive stock option plans of our company and its subsidiaries) cannot exceed $100,000, and if this limitation is exceeded, that portion of the incentive stock option that does not exceed the applicable dollar limit will be an incentive stock option and the remainder will be a non-qualified stock option; (ii) if an incentive stock option is granted to an employee who owns stock possessing more than 10% of the total combined voting power of all class of stock of our company, the exercise price of the incentive stock option will be 110% of the fair market value of the common stock on the date of grant and

the incentive stock option will expire no later than five years from the date of grant; and (iii) no incentive stock option can be granted after ten years from the date our 2020 plan was adopted.

Stock Awards

The Administrator has the discretion to grant stock awards to participants. Stock awards will consist of shares of Common Stock granted without any consideration from the participant or shares sold to the participant for appropriate consideration as determined by the board of directors. The number of shares awarded to each participant, and the restrictions, terms and conditions of the award, will be at the discretion of the Administrator. Subject to the restrictions, a participant will be a shareholder with respect to the shares awarded to him or her and will have the rights of a shareholder with respect to the shares, including the right to vote the shares and receive dividends on the shares; provided that dividends otherwise payable on any performance-based stock award will be held by us and will be paid to the holder of the stock award only to the extent the restrictions on such stock award lapse, and the Administrator in its discretion can accumulate and hold such amounts payable on any other stock awards until the restrictions on the stock award lapse.

Stock Units

The Administrator has the discretion to grant stock unit awards to participants. Each stock unit entitles the participant to receive, on a specified date or event set forth in the award agreement, one share of Common Stock or cash equal to the fair market value of one share on such date or event, as provided in the award agreement. The number of stock units awarded to each participant, and the terms and conditions of the award, will be at the discretion of the Administrator. Unless otherwise specified in the award agreement, a participant will not be a shareholder with respect to the stock units awarded to him prior to the date they are settled in shares of Common Stock. The award agreement may provide that until the restrictions on the stock units lapse, the participant will be paid an amount equal to the dividends that would have been paid had the stock units been actual shares; provided that dividend equivalents otherwise payable on any performance-based stock units will be held by us and paid only to the extent the restrictions lapse, and the Administrator in its discretion can accumulate and hold such amounts payable on any other stock units until the restrictions on the stock units lapse.

Payment for Stock Options and Withholding Taxes

The Administrator may make one or more of the following methods available for payment of any award, including the exercise price of a stock option, and for payment of the minimum required tax obligation associated with an award: (i) cash; (ii) cash received from a broker-dealer to whom the holder has submitted an exercise notice together with irrevocable instructions to deliver promptly to us the amount of sales proceeds from the sale of the shares subject to the award to pay the exercise price or withholding tax; (iii) by directing us to withhold shares of Common Stock otherwise issuable in connection with the award having a fair market value equal to the amount required to be withheld; and (iv) by delivery of previously acquired shares of Common Stock that are acceptable to the administrator and that have an aggregate fair market value on the date of exercise equal to the exercise price or withholding tax, or certification of ownership by attestation of such previously acquired shares.

Provisions Relating to a "Change in Control" of our Company

Notwithstanding any other provision of the Plan or any award agreement, in the event of a "Change in Control" of our Company, the Administrator has the discretion to provide that all outstanding awards will become fully exercisable, all restrictions applicable to all awards will terminate or lapse, and performance goals applicable to any stock awards will be deemed satisfied at the highest target level. In addition, upon

such Change in Control, the Administrator has sole discretion to provide for the purchase of any outstanding stock option for cash equal to the difference between the exercise price and the then fair market value of the Common Stock subject to the option had the option been currently exercisable, make such adjustment to any award then outstanding as the Administrator deems appropriate to reflect such Change in Control and cause any such award then outstanding to be assumed by the acquiring or surviving corporation after such Change in Control.

Effect of Termination of Continuous Service; Company Repurchase Right

The right to exercise an option (to the extent that it is vested) following termination of a participant's employment or service with our Company will expire three (3) months following the termination of employment or service, except (i) to the extent any longer period is permitted under the rules of section 422 of the Internal Revenue Code with respect to a participant's death or disability, and (ii) if a participant's employment or service with our Company is terminated for cause, as that term is defined in the Plan, then, immediately upon the termination of the participant's employment or service with us, all vested and unvested awards granted to participant shall be immediately forfeited and automatically terminate. With respect to an award of our restricted Common Stock, upon a death or disability, all of the shares of restricted Common Stock subject to an award shall become immediately vested. Upon the termination of a participant's employment or service with the Company for any reason, we will have the right, but not the obligation, until the first anniversary of the termination of the participant's employment or service to repurchase some or all of the vested shares and/or the vested options from the participant, the participant's estate (in the case of the participant's death), or any permitted transferee of such vested shares and/or vested options. When exercising this right, we shall pay the participant an amount per share equal to the lesser of (i) the price per share paid by the participant for such shares and (ii) the lesser of the fair market value of the shares as of the date of termination of the participant's employment with us and the date we exercise the repurchase right.

Amendment of Award Agreements; Amendment and Termination the Plan; Term of the Plan

The Administrator may amend any award agreement at any time, provided that no amendment may adversely affect the right of any participant under any agreement in any material way without the written consent of the participant, unless such amendment is required by applicable law, regulation or stock exchange rule. The board of directors may terminate, suspend or amend the Plan, in whole or in part, from time to time, without the approval of the shareholders, unless such approval is required by applicable law, regulation or stock exchange rule, and provided that no amendment may adversely affect the right of any participant under any outstanding award in any material way without the written consent of the participant, unless such amendment is required by applicable law, regulation or rule of any stock exchange on which the shares are listed. Notwithstanding the foregoing, neither the Plan nor any outstanding award agreement can be amended in a way that results in the repricing of a stock option under generally accepted accounting principles. No awards may be granted under the Company's 2020 plan on or after the tenth anniversary of the effective date of our 2020 plan.

PLAN OF DISTRIBUTION

Purchaser Qualifications

Only persons of adequate financial means who have no need for present liquidity with respect to this investment should consider purchasing the Common Stock offered hereby because: (i) an investment in the Securities involves a number of significant risks (See "Risk Factors"); and (ii) shares of the Common Stock are not transferable. This Offering is being made as a private offering that is exempt from registration under the Securities Act and applicable state securities laws.

This Offering is limited solely to purchasers (1) who are "accredited investors" as defined Regulation D or (2) who are not "U.S. persons," as defined in Regulation S, in offshore transactions. To be eligible to participate in the Offering, you will be required to represent to the Company in writing that you are (1) an accredited investor under Regulation D and to provide certain documentation in support of such representation (such required documentation to be decided by the Company in its sole discretion), or (2) a non-U.S. person under Regulation S purchasing in an offshore transaction. You must also represent in writing that you are purchasing the Common Stock for your own account and not for the account of others and not with a view to reselling or distributing Securities.

Other Requirements

In addition to submitting documentation to confirm their status as "accredited investors" or non-"U.S. Persons," all potential purchasers will need to complete requisite know-your-customer and anti-money laundering procedures in connection with any purchase of Common Stock.

The USA PATRIOT Act	**What is money laundering?**	**How big is the problem and why is it important?**
The USA PATRIOT Act is designed to detect, deter and punish terrorists in the United States and abroad. The Act imposes anti-money laundering requirements on brokerage firms and financial institutions. Since April 24, 2002, all United States brokerage firms have been required to have comprehensive anti-money laundering programs in effect. To help you understand these efforts, the Company wants to provide you with some information about money laundering and the Company's efforts to help implement the USA PATRIOT Act.	Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering and terrorism.	The use of the United States financial system by criminals to facilitate terrorism or other crimes could taint its financial markets. According to the United States State Department, one recent estimate puts the amount of worldwide money laundering activity at $1 trillion a year.

You should check the Office of Foreign Assets Control (the "OFAC") website at http://www.treas.gov/ofac before making the following representations:

(1) you represent that the amounts invested by you in this Offering were not and are not directly or indirectly derived from any activities that contravene Federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by the OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of the OFAC-prohibited countries, territories, individuals and entities can be found on the OFAC website at http://www.treas.gov/ofac. In addition, the programs

administered by the OFAC (the "**OFAC Programs**") prohibit dealing with individuals[1] or entities in certain countries, regardless of whether such individuals or entities appear on any OFAC list;

(2) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this investment is a country, territory, entity or individual named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Company may not accept any subscription amounts from a prospective purchaser if such purchasers cannot make the representation set forth in the preceding sentence. You agree to promptly notify the Company should you become aware of any change in the information set forth in any of these representations. You are advised that, by law, the Company may be obligated to "freeze the account" of any purchaser, either by prohibiting additional subscriptions from it, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and that the Company may also be required to report such action and to disclose such purchaser's identity to the OFAC;

(3) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this investment is a senior foreign political figure[2], or any immediate family[3] member or close associate[4] of a senior foreign political figure, as such terms are defined in the footnotes below; and

(4) if you are affiliated with a non-U.S. banking institution (a "***Foreign Bank***"), or if you receive deposits from, make payments on behalf of, or handle other financial transactions related to a Foreign Bank, you represent and warrant to the Company that: (1) the Foreign Bank has a fixed address, and not solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct its banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

The Company is entitled to rely upon the accuracy of your representations. The Company may, but under no circumstances will it be obligated to, require additional evidence that a prospective purchaser meets the standards set forth above at any time prior to its acceptance of a prospective

[1] These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs.

[2] A "senior foreign political figure" is defined as a senior official in the executive, legislative, administrative, military or judicial branch of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

[3] "Immediate family" of a senior foreign political figure typically includes such figure's parents, siblings, spouse, children and in-laws.

[4] A "close associate" of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with such senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of such senior foreign political figure.

purchaser's subscription. You are not obligated to supply any information so requested by the Company, but the Company may reject a subscription from you or any person who fails to supply such information.

How to Subscribe

Subscription agreements for the Common Stock may be accessed electronically at [*] and will be delivered via email and are also available on the Dealmaker platform (www.dealmaker.com) . Prospective purchasers and the Company will review and electronically sign validated subscription documents and a final executed subscription agreement will be available to the purchaser on the Dealmaker platform after the required purchaser information is provided and confirmed by Dealmaker and the Company.

NOTICE TO PURCHASERS

This Offering has not been registered or qualified under the securities laws of any jurisdiction anywhere in the world. The Common Stock is being offered and sold only in jurisdictions where such registration or qualification is not required, including pursuant to applicable exemptions that generally limit the purchasers who are eligible to purchase the Common Stock and that restrict the Securities' resale. **Holders of the Common Stock may never be able to offer, sell, assign, transfer, pledge, encumber or otherwise dispose of it, unless the Company determines a transfer will be permitted and will comply with all applicable laws.**

Each purchaser that executes a subscription agreement will be deemed to have acknowledged, represented and warranted to, and agreed with, the Company as follows:

(1) It understands and acknowledges that (i) the sale and issuance of the Common Stock has not been and will not be registered under the Securities Act or any other applicable securities law, unless required by applicable law, (ii) the Common Stock is being offered for sale in transactions not requiring registration under the Securities Act or any other applicable U.S. state securities law, (iii) the Common Stock will be issued in transactions not requiring registration under the Securities Act or any other applicable U.S. state securities law, , and (iv) the Common Stock may not be offered, sold or otherwise transferred or disposed of, except in compliance with the registration requirements of the Securities Act and any other applicable securities law, or pursuant to an exemption therefrom and, in compliance with the conditions for transfer set forth in paragraphs (4) and (8) below.

(2) It acknowledges that this Memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with SEC rules that would apply to an offering document relating to a public offering of securities.

(3) It is:

(a) an "accredited investor" (as defined in Regulation D) acquiring the Common Stock being issued in reliance on an exemption from the registration requirements of the Securities Act; or

(b) not a "U.S. person" and it is not acquiring the Common Stock for the account or benefit of a "U.S. person," and it is acquiring such Common Stock in an offshore transaction in accordance with all of the requirements of Regulation S under the Securities Act and in accordance with the laws applicable to it in the jurisdiction in which such acquisition is made.

(4)

In addition to all applicable transfer restrictions under applicable securities laws, it acknowledges and agrees that the Common Stock may not be offered, sold, assigned,

transferred, pledged, encumbered or otherwise disposed of except in compliance with the registration requirements of the Securities Act.

(5) It acknowledges that neither the Company, nor any of its representatives or affiliates, have made any statement, representation or warranty, express or implied, to it other than the information contained in this Memorandum, which has been delivered to it and upon which it is solely relying in making its investment decision with respect to the Securities. It has had access to such financial and other information concerning the Company and the Securities as it has deemed necessary in connection with its decision to invest, including an opportunity to ask questions of and request information from the Company, and such information has been made available to it.

(7) It is acquiring the Common Stock for its own account, or for one or more purchaser accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any other applicable securities laws.

(8) It (a) is able to act on its own behalf in the transactions contemplated by this Memorandum, (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Securities and (c) has the ability to bear the economic risks of its prospective investment in the Securities, and can afford the complete loss of such investment.

(9) It acknowledges that the Company will rely upon the truth and accuracy of the acknowledgements, representations, warranties and agreements set forth in this "Notice to Purchasers" section and agrees that, if any acknowledgements, representations, warranties and agreements deemed to have been made by its participation in the Offering are no longer accurate, it will promptly notify the Company.

(10) If it is acquiring the Common Stock as a fiduciary or agent for one or more purchaser accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the acknowledgements, representations, warranties and agreements set forth in this "Notice to Purchasers" section on behalf of each such purchaser account.

(11) Either (i) the purchaser is not acquiring or holding such Common Stock or an interest therein with the assets of (A) an employee benefit plan that is subject to Part 4 of Subtitle B of Title I of ERISA, (B) a "plan" to which Section 4975 of the Code applies (including an individual retirement account), (C) an entity deemed to hold "plan assets" of any of the foregoing by reason of an employee benefit plans or plans' investment in such entity, (D) a governmental plan (as defined in Section 3(32) of ERISA), (E) a church plan (as defined in Section 3(33) of ERISA) that has not made an election under Section 410(d) of the Code, or (F) a non-U.S. plan, or (ii) the Holder is acquiring or holding such Securities or an interest therein with the assets of (A) a governmental plan, a church plan that has not made an election under Section 410(d) of the Code, or a non-U.S. plan and (B) the acquisition and holding of such Common Stock by the purchaser, throughout the period that it holds the Common Stock and the disposition of such Common Stock

or an interest therein will not constitute or result in a violation of any provisions of any applicable United States federal, state or local laws or non-U.S. laws that regulate such plan's investments.