VERSION 1.2

APRIL 25, 2019

CONCISE BUSINESS PLAN

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Junaxo, Inc. (Junaxo) is a privately-held drug development company, registered in the Province of Ontario, Canada (No. 2371634). Junaxo specializes in identifying, acquiring and then repurposing compounds for the treatment of neurological disorders.

The Founders of Junaxo have internationally-renowned expertise in developing compounds for the treatment of neurodegenerative disorders, specifically for Parkinson's disease and related disorders. To date, we have identified, evaluated and in-licensed, three assets; two products for the treatment of Parkinson's disease (JNX3001 and JNX4022) and one product for the treatment of amyotrophic lateral sclerosis (ALS, JNX1001). Using significant non-dilutive funding ($1.8M), we have developed these assets to the point where the next stage of development, for each compound, is proof-of-concept clinical studies. We now seek investment to initiate the clinical development of our existing assets. All three of our clinical-stage assets can be rapidly evaluated in proof-of-concept clinical trials to demonstrate efficacy in humans, after which we will seek to sell, out-license or co-develop them. All three assets are either already approved for human use or have been demonstrated to be safe in multiple clinical studies. Therefore, the chance of these projects failing for non-efficacy reasons is reduced thus improving the risk: benefit profile of the projects.

In order to minimise development costs and development time, we focus on producing pharmaceuticals for Orphan Diseases or developing Generally Regarded As Safe (GRAS) compounds as Medical Foods. This approach allows revenue streams to be generated several years sooner than pharmaceuticals developed for diseases that require multiple Phase III studies before marketing authorisation. This approach does not exclude further development of the assets, such as developing them for non-orphan indications or developing Medical Foods into pharmaceuticals.

We propose a 3-year plan whereby an investment of $14.7M (USD) will allow all three of these assets to be progressed, in parallel, to value-inflection points. Progressing all of the projects allows the investment risk to spread across programs, provides multiple value-inflection points within 3 years and is the most cost and time-efficient way to reach those value-inflection points. We will also continue to identify, acquire and develop early stage assets that will continue to feed Junaxo's pipeline once the current clinical assets are sold. The funding for this will primarily be from non-dilutive investments, such as grants, for which Junaxo has a proven track record of success, although a small amount (<2%) of the $14.7M investment will also be used. This approach will provide investors with not only 3 clinical stage assets, that can delivery a return on investment in the short term, but also provide additional assets for minimal extra investment. Currently, we have three early-stage assets, which are detailed in this document.

Following demonstration of proof-of-concept in a Phase II clinical study, Junaxo would sell, or out-licence, the relevant asset which would generate a combination of upfront payments, milestone payments and double-digit royalties. The value of these payments will vary depending on the asset but, based on our projections, could for each asset range between; upfront payment ($8-20M), milestone payments ($36-100M) and royalty payments in the first 10 years post-launch ($100-300M). If all the projects are successful then the projected payments could be; upfront payment ($45M), milestone payments ($175M) and royalty payments in the first 10 years post-launch ($550M). These values are estimated based on recent licensing deals and acquisitions in the disease area in which we operate.

Our primary exit strategy for both investors and Management is the acquisition of Junaxo by a third party within a timeframe to be agreed with investors although consideration will also be given to an Initial Public Offering. In the interim, should cash be accumulated in Junaxo because of the disposal of assets beyond that which is required to fund ongoing programs and/or the acquisition and development of new assets, then cash can be returned to investors and Management by a combination of share buy backs and/or dividends, etc. Junaxo has no current financial liabilities and is wholly owned by its Founders.

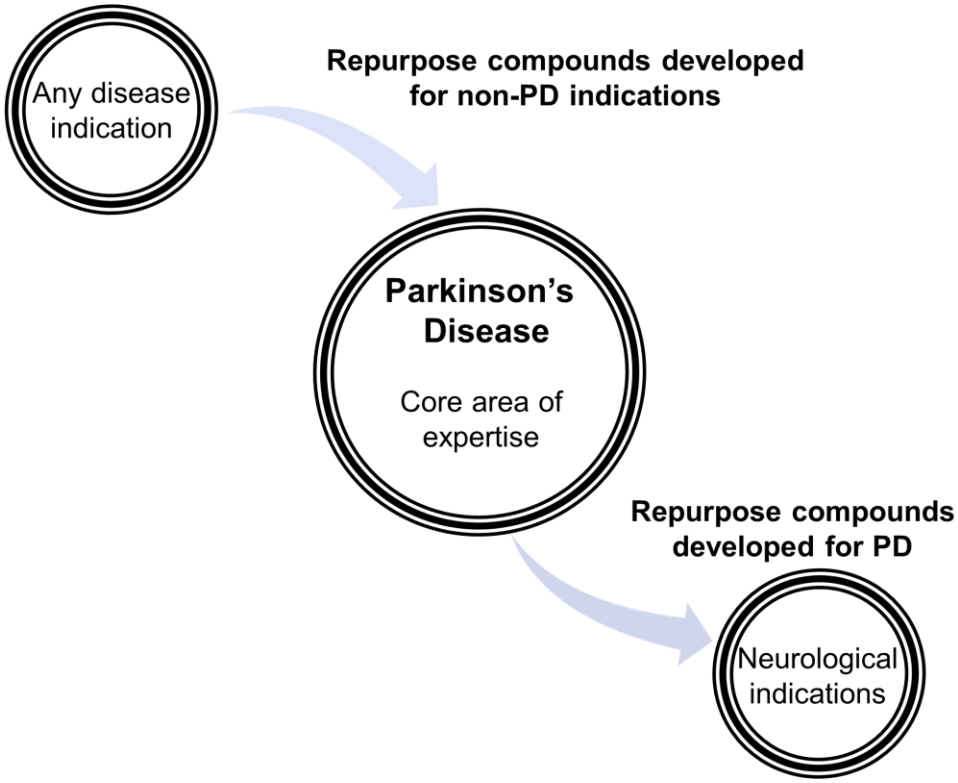
SUMMARY OF BUSINESS, TEAM AND KEY ASSETS

BUSINESS OVERVIEW

Junaxo, Inc. (Junaxo) is a drug development company specializing in repurposing compounds for the treatment of neurological disorders, currently with an emphasis on Parkinson's disease and ALS.

The Founders of Junaxo have significant expertise in developing compounds for the treatment of neurodegenerative disorders and has internationally-renowned expertise in developing treatments for Parkinson's disease and related disorders. Junaxo was founded by Dr Jonathan Brotchie, Dr Patrick Howson and Mr David Sefton.

Junaxo leverages the world-class expertise it has in neurodegenerative diseases to (i) repurpose compounds developed for other indications as treatments for Parkinson's disease, or (ii) repurpose compounds, that were initially being developed for Parkinson's disease, for other neurodegenerative disorders.



In order to minimise development costs and timelines, and thus reach revenue streams sooner, Junaxo initially develops compounds for Orphan Diseases or develops Medical Foods. This approach does not preclude future development of the assets into additional, non-orphan, diseases or into traditional pharmaceuticals.

Junaxo identifies its assets by various approaches including *in silico* data mining, high throughput screening and through our extensive network of academic and industry contacts. Using this approach, we have to date identified three clinical-stage assets that we have in-licensed;

(i) JNX1001, a novel neurotrophic factor inducer, originally in development for Parkinson's disease, that we have repurposed for amyotrophic lateral sclerosis (ALS),

(ii) JNX3001, an FDA-sanctioned food substance that we are developing as a disease-modifying therapeutic for Parkinson's disease, and

(iii) JNX4022, an FDA-approved compound that we have repurposed for treating L-DOPA-induced dyskinesia (LID), a common side effect that occurs with long-term treatment of L-DOPA. Since its FDA approval in 1970, L-DOPA has been an active compound in many therapies developed for the management of Parkinson's disease symptoms and most people with Parkinson's disease will take medicines containing L-DOPA.

We will add value to each of our clinical assets by taking them through proof-of-concept Phase II clinical trials, after which we will seek to sell, out-license or co-develop these assets.

Junaxo currently uses the virtual drug development model which allows us to efficiently manage our resources and operate with a very low burn rate. To date, our clinical assets have been progressed using non-dilutive funding (e.g. grants) and Founder loans. Junaxo has no current financial liabilities.

We are now seeking additional funding that would allow us to progress our existing assets through proof-of-concept Phase II clinical trials to a value inflection point. Following demonstration of efficacy in humans we will seek to monetise the assets via selling and/or out-licensing the assets. This investment will also fund our acquisition and initial development of future assets that will feed the drug pipeline once the current clinical assets are sold.

TEAM AND ADVISORS

FOUNDERS AND MANAGEMENT

The Founders of Junaxo have expertise and experience in many different aspects of drug development in Parkinson's disease including manufacturing, translational pharmacology and clinical development.

Dr Jonathan Brotchie has a Ph.D. in Neuroscience, from the University of Manchester, UK (1991) and has more than 25 years' experience in Parkinson's disease research managing teams that have identified and validated many drug targets for PD. He has led translational research that has supported the assessment of efficacy of more than 70 drug candidates in non-human primate models of PD and the advancement of 16 drug candidates to clinical studies. These and other studies are detailed in over 200 peer-reviewed publications. In addition to his role in Junaxo, Dr Brotchie enjoys a reputation for excellence as an academic researcher, leading research programs at University Health Network, Toronto (2002-present) and University of Manchester (UK, 1991-2002). Dr Brotchie serves on the scientific review board for many grant-awarding bodies, including the Michael J Fox Foundation, the largest private charity supporting Parkinson's disease research. He has acted as consultant to more than 80 pharmaceutical companies and, in addition to Junaxo, was a Founder and Executive at Motac and Atuka Inc, two successful enterprises focussed on providing services to support the pharmaceutical industry's development of Parkinson's disease therapeutics.

Dr Patrick Howson has a Ph.D. in Neuroscience, from the University of Bristol, UK (1999) and subsequently worked in an academic Medicinal Chemistry group at that same institution. Prior to Junaxo, Dr Howson was Head of Preclinical Sciences at Phytopharm plc, a UK-based, LSE-listed pharmaceutical company. He has over 15 years' experience in commercial drug discovery and development and has managed research and development projects in medicinal chemistry, manufacturing, pharmacology, IND-enabling studies and clinical studies, including clinical studies in Parkinson's disease. Dr Howson is also experienced in the generation and management of intellectual property and is a named inventor on several patents. He also serves on several scientific review boards including the AFM Téléthon – Europe's largest private charity

supporting ALS research - and the Ontario Brain Institute, a not-for-profit research centre whose aim is to establish Ontario as a world leader in brain research and commercialization.

Mr David Sefton is an experienced commercial and corporate finance lawyer having qualified in the UK in 1995. He was the managing partner of Laytons Solicitors LLP Manchester, UK office for over 10 years (until 2012) and remains a consultant with the firm. He specialises in the structuring and establishment of venture capital funds, with a particular focus on the biomedical, technology and retail sectors, and has advised on the establishment of funds in excess of $250M over the last 3 years.

SCIENTIFIC ADVISORS

Advisors are used to supplement the in-house expertise of Junaxo. Our advisors have helped design our proposed Phase II clinical studies.

Dr Lorne Zinman is Chair of the Canadian ALS Research Network and Director of the ALS/Neuromuscular clinic at the Sunnybrook Health Sciences Centre. He has designed and led clinical trials in ALS and other neuromuscular diseases.

Dr Lawrence Korngut is Director of the Calgary ALS and Motor Neuron Disease Clinic and a neurologist who has designed and led clinical trials of new therapies in patients with ALS. He is the National Principal Investigator of the Canadian Neuromuscular Disease Registry (CNDR) and a member of the Executive and Chair of the Advisory Group of the Canadian Clinical Trial Co-ordination Centre, a CIHR SPOR and Rx&D initiative.

Dr Susan Fox is a Professor in the Division of Neurology, University of Toronto and Associate Director of the Movement Disorder Clinic at the Toronto Western Hospital. She is a clinical investigator and her research interests includes the evaluation of novel therapeutics for Parkinson's disease in Phase II and Phase III clinical trials. She is a member of the International Executive Committee of the Movement Disorder Society.

Dr Jay Schneider is Professor of Pathology, Anatomy and Cell Biology and Neurology at Thomas Jefferson University, where he is also Director of the Parkinson's Disease Research Unit. Dr. Schneider has directed or participated in 21 Parkinson's disease-related clinical trials and is the sponsor of two investigator-initiated FDA INDs for Parkinson's disease-related therapeutics.

EXIT STRATEGY

It is Junaxo's intention to raise sufficient capital that will allow all three of our existing assets to be progressed through Phase II proof-of-concept trials. Demonstration of clinical proof-of-concept represents a key value inflection point in drug development and it is Junaxo's aim to reach this for each of it products and then monetise such by selling and/or out-licensing the assets.

This investment will also fund our acquisition and initial development of future assets that will maintain our drug pipeline.

EXIT FOR INVESTORS

One possible exit strategy for both investors and Founders is the acquisition of Junaxo by a third party. We would expect this to be by way of a share sale within a timeframe agreed with our investors. We will also consider an Initial Public Offering if that provided the best option for both investors and Founders.

In the interim should cash be accumulated in Junaxo because of the disposal of assets beyond that which is required to fund ongoing programs and/or the acquisition and development of new assets, then cash can be returned to investors and Founders by a combination of share buy backs and/or dividends etc.

THE OPPORTUNITY: OVERVIEW OF CURRENT CLINICAL ASSETS

JNX1001 IN ALS

JNX1001 is a small molecule, neurotrophic factor modulator that has demonstrated efficacy in several preclinical models of amyotrophic lateral sclerosis (ALS) including efficacy in two independent studies in the mSOD1^{G93A} mouse, the 'gold-standard' preclinical model of ALS. JNX1001 has an excellent safety profile in humans, with Junaxo having obtained an IND to allow an immediate clinical trial in ALS and market-protected by an already-approved Orphan Designation.

Amyotrophic lateral sclerosis is a fatal neurodegenerative disorder for which there is no effective treatment. Of the $14.7M that we intend to raise, $5M will be used to progress JNX1001 through a Phase II clinical study. Once approved, peak revenues are estimated at $500M/year.

JNX3001 IN PARKINSON'S DISEASE

JNX3001 is a therapy based on a disaccharide called trehalose. JNX3001 has been designed to target α-synuclein, the protein that drives pathology in people with Parkinson's disease (PD) and shows efficacy in several preclinical models of PD, including non-human primate. Trehalose itself is Generally Regarded as Safe (GRAS) in US and EU and JNX3001 can be immediately advanced to clinical trial in PD for use as a Medical Food. A use patent has been filed and will provide patent protection until 2036.

Parkinson's disease is a neurodegenerative disorder characterised by tremor, rigidity, slowness of movement, and postural instability. There is currently no treatment that can slow disease progression. Of the $14.7M that we intend to raise, $6.5M will be used to complete the clinical development of JNX3001 and launch it as a Medical Food. Peak revenues are estimated at $180M/year.

JNX4022 IN L-DOPA-INDUCED DYSKINESIA

JNX4022 is an FDA-approved, amino acid derivative, also known as D-cycloserine. Junaxo is developing JNX4022 as a treatment for PD, specifically to combat L DOPA-induced dyskinesia (LID) a side effect of current treatments for PD. JNX4022 has demonstrated efficacy in several preclinical models of PD, including a highly-predictive, and well-validated, non-human primate (NHP) model. We recently demonstrated a similar effect in two people with PD. JNX4022 is IND-ready and could immediately enter clinical trial for an indication of LID in PD. A use patent has already been granted and is valid until 2024. In addition, Orphan Disease Designation will be obtained to provide data and marketing exclusivity.

LID develops in about 50% of patients receiving L-DOPA therapy for 5 years, by 10 years, >95% of PD patients suffer from LID. Effective treatments for LID are urgently needed. Of the $14.7M that we intend to raise, $3M will be to progress JNX4022 through a Phase II clinical study and to a value inflection point. Once approved, peak revenues are estimated at $500M/year.

COMPARISON OF ASSETS

Each asset varies in terms of the time and investment it will take to progress the product to clinical proof of concept, the magnitude of the potential revenue stream, and when the product will generate revenue. A comparison of the assets is shown in the table below.

	JNX1001 (ALS)	JNX3001 (PD – Medical Food)	JNX4022 (LID)
Efficacy			
Rodents	Yes	Yes	Yes
Non-human primates	No primate model available	Yes	Yes
Humans	No	No	Yes - in 2 people with LID
Safety in humans	Yes – administered to >500 people	Yes – FDA sanctioned food substance	Yes – FDA approved drug
Investment to reach value inflection point (USD)+	$4.47M	$5.89M	$2.62M
Time to reach value inflection point*	2 years	2 years	1 year
Follow on investment to reach marketing authorisation (USD)	$12M	None	$10M
Additional time to reach marketing authorisation	2 years (4 years total)	None (2 years total)	1.5 years (2.5 years total)
Peak sales (USD)	$500M/year	$180M/year	$500M/year
NPV (25% discount rate)	$164M	$59M	$297M
NPV (45% discount rate)	$29M	$11M	$76M

+: This is the operational cost of performing the study. An additional cost of $1.72M is required for other operating costs, consultancy fees and contingency funds over the 3 years (detailed later in the plan).
***: At this point Junaxo would seek to sell or out-license the product. If all the projects are progressed in parallel they would be slightly staggered so that the value inflection points of all projects would be reached within 3 years.**

A $14.7M investment in Junaxo will allow all the products to be developed in parallel and multiple value inflection points to be reached within 2-3 years of the investment. This will provide investors with several opportunities to generate a good return on investment and spread the risk over several products. Other forms of investment, such as developing the products sequentially or prioritisation of a single asset will also be considered. Of the $14.7M investment, $12.975M will be spent progressing the clinical programs and $1.725M will be spent on consultancy fees, other operating costs and providing a contingency fund.

RECENT LICENSING DEALS

There have been several recent acquisitions and licensing deals in the space in which we operate, including deals for ALS compounds, PD compounds and Medical Foods. Although the terms of the deals vary between disease area, and between pharmaceuticals and Medical Foods, in each case there are examples of licensing deals that include upfront payments of up to $20M, milestone payments of up to $265M and royalty payments up to mid-teen percentages. Three recent licensing deals are shown below, and further examples are detailed in the individual information on the assets.

Area	ALS	LID	Medical Food
Year	2018	2010	2016
Licensor	Karyopharm	Santhera Pharmaceuticals	Seres Therapeutics
Licensee	Biogen	Ipsen	Nestle
Stage of development	IND-ready	Phase II	Phase II
Upfront (USD)	$10M	$15M	$120M
Milestones (USD)	$207M	$150M	Yes (undisclosed)
Royalty	Low double digits	Yes (undisclosed)	Yes (undisclosed)

EVALUATION OF NEW ASSETS: MAINTAINING THE PIPELINE OF JUNAXO

We envisage Junaxo to be a drug development company with a long-term future, and not solely a vehicle to progress our three existing projects. Thus, Junaxo is an entity that has potential to deliver returns on the initial investment beyond that discussed above for the three core assets. Junaxo will build its pipeline by evaluating new compounds and bring in those projects that meet our criteria and complement the compounds that are currently in clinical development. Over the past 3 years, we have found that, on average, we identify 3-4 potential drug candidates a year and of those 1 of these compounds proves to be worth pursuing after initial evaluation.

CURRENT EARLY STAGE ASSETS

We have three early stage, in-house, projects which are summarised in the table below.

Asset	Description
JNX5050	• Combination of JNX3001 with a trehalase inhibitor. This will increase the exposure of JNX3001 whilst reducing the dose. • This will allow a treatment, based around JNX3001, to be developed as a pharmaceutical for the treatment of Parkinson's disease and other proteinopathies (e.g. ALS, Alzheimer's disease). • The project will generate new intellectual property. • Has attracted $0.5M funding – work is ongoing.
JNX10XX	• A series of compounds (~100) based around the core structure of JNX1001. • Neuroprotective activity demonstrated for many of the compounds. • Some novel chemical entities within the series, good potential to develop novel intellectual property.
JNX2001	• Back-up compound to JNX2001. • Phase I clinical data generated • Full toxicology package completed • Possibility to re-position for a new indication – broad neuroprotection demonstrated.

These new programs will be progressed using a mixture of funding sources. Where possible, as we have done for our current assets and JNX5050, we will progress the compounds using non-dilutive funding, such as grants. The Founders have considerable, and proven, experience in obtaining non-dilutive grants and have secured more than $15M, from various organisations, in non-dilutive grants over the past 4 years. To support these activities, and to provide us with the flexibility to rapidly evaluate promising candidates, we will reserve a small fund of up to $250K over a three-year period. Finally, we will use income generated from the Scientific Research and Experimental Development (SR&ED) tax incentive program to support the evaluation of new projects.

The SR&ED tax incentive program provides cash rebates for Canadian companies performing scientific research in Canada. As Junaxo is a Canadian company, and because we anticipate that the clinical programs will be performed in Canada using sites already identified, Junaxo will be eligible for a cash rebate which will be worth up to $4M over the course of the clinical development. It is also anticipated that new projects will also generate SR&EDs of ~$100-150K per year.

As well as allowing the progression of new projects, the SR&ED rebate will allow Junaxo to operate with a small contingency fund. The balance of the SR&ED rebate will be managed by the Junaxo Board to either progress additional new projects through to value-inflection points or returned to shareholders as a dividend.

SUMMARY OF OPERATING COSTS REQUIRED TO REACH VALUE INFLECTION POINTS

Junaxo currently operates as a virtual company which allows it to effectively manage its cash burn. Junaxo has no employees and Management are paid consultancies on a per project basis based on the time committed to Junaxo. This model has worked well as we have progressed our assets through preclinical development.

However, once funding has been secured and we move into clinical development additional resources will be required so that the projects progress efficiently. Firstly, the Management will commit additional time to Junaxo projects, with Dr Howson working as a full-time consultant for Junaxo. In addition, consultants will be recruited to manage specific clinical programs as required. Secondly, Junaxo will move into its own office space and rent storage facilities that comply with FDA regulations. This will provide Junaxo with a, cost-effective, physical space where the consultants can work and meetings, both internal and with potential partners, can be held.

Investment of sufficient funds into Junaxo, that allows all the projects to be progressed through proof-of-concept clinical trials, offers substantial advantages over a smaller investment that will only allow a single asset to be progressed. These advantages include:

- The investment risk is spread across three programs – success in any program will lead to a good return on investment.
- Faster route to value inflections – if the projects are progressed in parallel then three value inflection points will be reached in 2-3 years. If they are progressed in parallel, then a total of 5-6 years will be required to reach the value inflection points.
- Reduced cost – cost savings, such as reduced consultancy costs, will be delivered if the projects are performed in parallel.
- Increased stake in additional projects identified by Junaxo and developed using non-dilutive funding.

We predict that if the assets are progressed in parallel then the three value inflection points will be reached in 2-3 years and will require an investment of $14.7M. A summary of the required activities and associated costs to progress all the programs in parallel is provided below.

Activity	Cost (USD)
JNX1001 Phase II clinical study	$4,470,000
JNX3001 Phase I and II clinical study	$5,885,000
JNX4022 Phase II clinical study	$2,620,000
Consultancy fees (3 years)	$900,000
Other operating costs (3 years)	$525,000
Contingency fund	$300,000
TOTAL INVESTMENT REQUIRED	**$14,700,000**

JUNAXO – GENERAL OPERATING COSTS POST INVESTMENT

Below is an estimate of the non-project costs (excluding consultancy costs) we expect to incur over the 3-year period following investment.

Activity	Cost (USD)
Renting office space, supplies and internet	$80,000
Storage (paper files, chemicals etc.)	$45,000
Maintenance of Orphan Disease Status in US and EU	$10,000
IP maintenance and prosecution	$75,000
New projects (e.g. preliminary evaluation)	$250,000
Non-project travel and accommodation	$40,000
Contingency fund	$25,000
TOTAL	**$525,000**