ATMOFIZER TECHNOLOGIES INC.

Management's Discussion and Analysis

For the nine-month period ended September 30, 2022

(Expressed in United States Dollars)

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INTRODUCTION

This Management Discussion and Analysis ("**MD&A**") of Atmofizer Technologies Inc. (formerly Consolidated HCI Holdings Corporation) ("**Atmofizer**", "**we**", "**our**" or the "**Company**") financial position and results of operations for nine months ended September 30, 2022 is prepared as at November 29, 2022.

This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company and the notes relating thereto, for the nine months ended September 30, 2022, which are prepared in accordance with International Financial Reporting Standards ("**IFRS**") and are available on the SEDAR website at www.sedar.com. Those unaudited consolidated financial statements have been prepared in accordance with IFRS. All dollar figures included therein and in the following MD&A are expressed in United States dollars ("**$**", "**US$**" or "**US dollar**"), unless otherwise specified. Canadian dollars and Euros are referred to as "**C$**" and "**€**", respectively. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Certain information provided in this MD&A constitutes forward-looking statements or information (collectively, "**forward-looking statements**"). Forward-looking statements are typically identified by words such as "may", "will", "should", "could", "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Although these forward-looking statements are based on assumptions the Company considers to be reasonable based on the information available on the date such statements are made, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties, and other factors which may cause actual results, levels of activity, and achievements to differ materially from those expressed or implied by such statements. The forward-looking statements contained in this MD&A are based on certain assumptions and analysis by management of the Company ("**Management**") in light of its experience and perception of historical trends, current conditions and expected future development and other factors that it believes are appropriate. The material factors and assumptions used to develop the forward-looking statements herein include, but are not limited to, the following: (i) the impact of the COVID-19 pandemic; (ii) the regulatory climate in which the Company operates; (iii) the continued sales success of the Company's products; (iv) the continued success of sales and marketing activities; (v) the absence of significant delays in the development and commercialization of the Company's products; (vi) there being no significant reduction in the availability of qualified and cost-effective human resources; (vii) new products continuing to be added to the Company's portfolio; (viii) the demand for air purification technologies; (ix) the absence of significant barriers to the acceptance of the Company's products in the market; (x) the Company being able to maintain compliance with applicable contractual and regulatory obligations and requirements; (x) the Company having adequate liquidity available to carry out its operations; (xi) no competitive products being developed that would render the Company's current and future product offerings undesirable; (xii) the Company being able to minimize the impact of competition and keep pace with changing consumer preferences; and (xiii) the Company being able to successfully manage and integrate acquisitions, if any.

The Company's forward-looking statements are subject to risks and uncertainties pertaining to, among other things, the adverse impact of the COVID-19 pandemic to our operations, our supply chain, our distribution chain, and to the broader market for our products, revenue fluctuations, nature of government regulations (both domestic and foreign), economic conditions, loss of key customers, retention and availability of executive talent, competing products, the effectiveness of e-commerce marketing strategies, loss of proprietary information, product acceptance, internet and system infrastructure functionality, information technology security, cash available to fund operations, availability of capital and, international and political considerations, the successful integration of acquired businesses, if any, as well as the risks and uncertainties discussed under the heading "Risks and Uncertainties" in this MD&A. The impact of any one risk, uncertainty, or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent, and the Company's future course of action depends on Management's assessment of all information available at the relevant time. Except to the extent required by law, the Company assumes no obligation to publicly update or revise any forward-looking statements made in this MD&A, whether as a result of new information, future events, or otherwise. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on the Company's behalf, are expressly qualified in their entirety by these cautionary statements.

COMPANY OVERVIEW

The Company is a publicly traded company which, effective September 21, 2017, commenced trading on the NEX under the trading symbol CXA.H. The NEX is a separate board of the TSX Venture Exchange ("**TSXV**") for issuers previously listed on the Toronto Stock Exchange or TSXV but which no longer maintain compliance with the ongoing financial listing standards of those markets. On November 12, 2021, the Company voluntarily delisted from the TSXV.

On April 18, 2021, the Company entered into a non-binding letter of intent with Vaxxinator Enterprises Inc. ("**Vaxxinator**") proposing a business combination between Vaxxinator and the Company.

On July 14, 2021, the Company entered into a definitive business combination agreement (the "**Business Combination Agreement**") with Vaxxinator, and 1314092 B.C Ltd., a wholly-owned subsidiary of the Company. The Business Combination Agreement was further amended on August 24, 2021.

Pursuant to the Business Combination Agreement, the Company's common shares (the "**Common Shares**") were consolidated on a 24.691:1 basis. Also pursuant to the Business Combination Agreement, the Company and Vaxxinator completed an arm's length business combination by way of a three-cornered amalgamation pursuant to the provisions of the *Business Corporations Act* (British Columbia). The completion of the transactions in the Business Combination Agreement resulted in a reverse takeover of the Company by Vaxxinator (the "**RTO**").

On November 15, 2021, the Company completed the RTO with Vaxxinator. In connection with the RTO, the Company voluntarily delisted from the NEX board of the TSXV and subsequently commenced trading on the Canadian Securities Exchange (the "**CSE**").

The board of directors of the Company was reconstituted following the RTO to be comprised of Michael Galloro, Olivier Centner, Peter Simeon, Dr. Joshua Helman and Nareda Mills. Olivier Centner was also appointed as Chief Executive Officer of the Company and Brian Meadows was appointed as Chief Financial Officer and Corporate Secretary of the Company.

The Company is a clean air and clean water solutions provider that is focused on commercializing its proprietary technology through stand alone, integrated and licensed applications across business, consumer, medical and industrial applications. The Company's consumer and industrial solutions are based on its patent-protected and patent-pending technology that utilizes ultrasonic acoustic waves to agglomerate (cluster together) ultra-fine particles into a larger target, which is then radiated by ultraviolet light to neutralize their harmful properties. The Company believes this technology to be a revolutionary and more efficient method for addressing the wide range of dangerous nano-scale particles, viruses and bacteria that are too small to be effectively managed by conventional HEPA filters and ultraviolet lights. The Company is currently applying its proprietary technology in consumer and industrial air purification products manufactured under the Atmofizer brand, as well as in retail and commercial devices produced by other companies that integrate the Company's technology into their own products under licenses.

The Company currently sells two commercial air purification products, Atmofizer One and Atmofizer Pro, in addition to continuing to develop key prototypes. Sales of Atmofizer One and the Atmofizer Pro air purifiers in the United

States began during the second quarter of 2021. The Company is now expanding sales of these two products outside the United States beginning with the United Kingdom and in the European Union. The Company has recently entered into its first national distribution agreement in the United States. These factors are also subject to a number of inherent risks and challenges which had been discussed under the heading "Risk and Uncertainties".

CORPORATE DEVELOPMENTS

- On January 14, 2022, the Company filed a base shelf prospectus in all of the provinces and territories in Canada (the "**Base Shelf Prospectus**"). The Base Shelf Prospectus allows the Company to qualify the distribution of up to C$60,000,000 in Common Shares, warrants, units, debt securities and subscription receipts or any combination thereof (collectively, the "**Securities**"), during the 25-month period that the Base Shelf Prospectus remains effective. The specific terms of any offering of Securities under the Base Shelf Prospectus, including the use of proceeds from any offering, will be set forth in a prospectus supplement to the Base Shelf Prospectus, which will be filed with the applicable Canadian securities regulatory authorities in connection with any such offering. The Securities will be offered in amounts, at prices and on terms to be determined at the time of sale and, subject to applicable regulations, may include "at-the-market distributions" (as such term is defined in National Instrument 44-102 – *Shelf Distributions* ("**NI 44-102**")), public offerings or strategic investments.

- On January 25, 2022, the Company and Steinbrenner Racing, LLC ("**Steinbrenner Racing**") amended the terms of its sponsorship agreement dated October 26, 2021 to provide for additional sponsorship rights including the Company becoming the official supplier sponsor of a Steinbrenner Racing team car for the "24 Hours of Daytona" race to be held in each of 2022 and 2023. In addition, Steinbrenner Racing will facilitate commercial introductions to stadium and arena owners and operators and aid with product testing and development. In consideration for these amendments, the Company issued 4,500,000 Common Shares at a deemed price of C$0.26 per Common Share to Steinbrenner Racing.

- On January 27, 2022, the Company entered into a debt-settlement agreement with an arm's length business development and media consultant of the Company, for debt in the aggregate amount of US$396,730, equal to a deemed value of C$500,000. To satisfy the debt, the Company issued an aggregate of 2,000,000 Common Shares at a deemed price of C$0.25 per Common Share.

- On February 23, 2022, the Company filed a prospectus supplement to the Base Shelf Prospectus (the "**Prospectus Supplemen**t") establishing an at-the-market equity program (the "**ATM Program**") that allows the Company to issue and sell up to C$5,000,000 of Common Shares from treasury to the public, from time to time, at the Company's discretion. All Common Shares sold under the ATM Program will be made through sales that are deemed to be "at-the-market distributions" as defined in NI 44-102 through the CSE or any other "marketplace" in Canada as defined under applicable securities laws.

- Distributions of the Common Shares under have been made under the Prospectus Supplement pursuant to the terms of an equity distribution agreement between the Company and Clarus Securities Inc. ("**Clarus**") dated February 23, 2022 (the "**Equity Distribution Agreement**"). The volume and timing of distributions under the ATM Program, if any, will be determined in the Company's sole discretion. Common Shares are distributed pursuant to the ATM Program at the market prices prevailing at the time of each sale and, as a result, prices may vary as between purchasers and during the period of the ATM Program. The ATM Program will be effective until the earlier of the issuance and sale of all of the Common Shares issuable pursuant to the ATM Program and February 14, 2024, unless terminated prior to such date by the Company or Clarus in accordance with the terms of the Equity Distribution Agreement.

- On March 10, 2022, the Company announced that Whit Pepper joined the Company as President and Chief Commercial Officer.

- On March 21, 2022, the Company announced that its Common Shares commenced trading in the United States on the OTCQB Venture Market under the trading symbol "ATMFF". The Common Shares continue to trade in Canada on the CSE under the trading symbol "ATMO".

- On March 30 2022, the Company entered into a debt-settlement agreement with an arm's length business development and media consultant of the Company, for debt in the aggregate amount of C$225,000. To satisfy the debt, the Company issued an aggregate of 2,500,000 Common Shares at a deemed price of C$0.09 per Common Share.

- On April 5, 2022, the United States Patent and Trademark Office (the "**USPTO**") issued a U.S. Patent relating to the Company's air and water purification technology. The U.S. Patent provides protection for the application of the Company's air and water purification technology in the United States.

- On May 11, 2022, the Company announced the test results of its airborne nanoparticle agglomeration engine. Recent test results at Atmofizer's Toronto lab have shown the Company's technology, before the use of an air filter, reduced the number of airborne ultra-fine particles smaller than one micron by 81.7%, while doubling particles sized above 2.5 microns. Management believes this is significant scientifically and medically, as it shows the removal of the smallest nanoscopic airborne particles (including toxic industrial pollution, smoke, and infectious disease). These particles are small enough that they can enter the bloodstream and get into the brain and vital organs directly through being inhaled into the lungs. Particles smaller than 2.5 microns are commonly regarded as the measure of air quality because they pose the risk to humans and animals. Doubling the amount of particles above 2.5 microns shows that the smaller particles are effectively being agglomerated together into larger clusters by the Company's technology. These larger clusters are typically more easily filtered by the body and common air filters. It is also significant that these results were without the use of a filter. The Company has also added additional staff to its Toronto testing facility to focus on applying its agglomeration technology into mobile (transport vehicles) and heating, ventilation, and air conditioning aftermarket applications. The additional staff will enable the Company to test and evaluate new Atmofizer airflow configurations and prototypes more quickly.

- On May 24, 2022, the Company announced that it has launched a new customer lease-finance program through its majority owned leasing subsidiary. The program will enable Atmofizer customers to acquire Atmofizer nanoparticle reduction air purifiers for less than one dollar per day. Customers may be required to make a down payment (ranging from $0- $99) and then pay $29.99/month to participate in the program. Under the lease-finance program, the down payment is less than 10% of the manufacturer's suggested retail price. Customers utilizing the lease-finance program receive a standard limited warranty for the Atmofizer air purifiers for the duration of a 36 month term lease. This credit facility makes the Company's air purification technology more accessible to a wider range of consumers. For higher volume customers, such as hotels, cruise ships and schools, the Company intends to extend the "clean air for less than a dollar a day" financing with no down payment required, subject to certain terms and conditions.

- On May 26, 2022, the Company announced that it had signed a U.S. distribution agreement with Safeware Inc. ("**Safeware**"). Safeware is an industry leader in safety equipment that supplies U.S. state and local governments and education organizations. For more than 40 years, Safeware has provided public safety equipment nationally with expertise in personal protective equipment, environmental detection and monitoring, and tactical and rescue gear. Safeware services and supports all aspects of safety for law enforcement and fire services, schools, public works and facilities. Beginning in third quarter 2022, the Company's products were published in Safeware's inventory catalog and are marketed by its sales and key account teams across the United States.

- On August 23, 2022, the Company announced that the USPTO has issued a Notice of Allowance for new claims related to the Company's air and water purification technology. The allowed patent application, titled, "Ultra-Fine Particle Aggregation, Neutralization and Filtration" (US Patent Application No. 11,291,939) provides broad protection for important aspects of Atmofizer's air purification technology. The Notice of Allowance from the USPTO is directed to a new design that delivers ultra-fine particle agglomeration and nanoparticle reduction performance in larger air ducts with faster-moving air, using less parts. The Company plans to market this patent to be licensed by air purification device manufacturers, HVAC suppliers and service companies.

- On August 25, 2022, the Company announced the latest testing performed by a third-party laboratory on Atmofizer ONE technology demonstrated a greater than 4-log reduction (> 99.99%) in specifically targeted microorganisms, including gram-positive bacteria, gram-negative bacteria, and enveloped virus. The Atmofizer ONE is now marketed subject to the United States Food and Drug Administration's (the "**FDA**") "Enforcement Policy for Sterilizers, Disinfectant Devices, and Air Purifiers During the Coronavirus Disease 2019 (COVID-19) Public Health Emergency" (March 2020).

Atmofizer ONE Performance Update

Atmofizer Efficacy Claims:
- 99.99% reduction of Klebsiella Aerogenes [gram-negative bacteria]
- 99.99% reduction of Staphylococcus Epidermis [gram-positive bacteria]
- 99.99% reduction of Phi-6 Bacteriophage [enveloped virus, Surrogate for SARS-CoV-2]

Atmofizer SARS-CoV-2 Specific Efficacy Claims
- Atmofizer reduces airborne SARS-CoV-2
- Atmofizer destroys over 99.99% SARS-CoV-2 without a filter
- Atmofizer destroys SARS-CoV-2 by over 99.99% in 45 minutes
- These results are based on third-party laboratory tests at 180 minutes of continuous device operation. The FDA has not evaluated Atmofizer technology. Atmofizer ONE has not been reviewed or approved by the FDA. SARS-CoV-2 data is based on Third-Party Testing of Phi-6 Bacteriophage, a surrogate microorganism for SARS-CoV-2.

Recent Business Development in the Forced Area Market (HVAC)

The Company continues to transition the business to its most valuable addressable market to integrate the agglomeration technology into existing forced air systems. The Company is ready to focus on the third objective of our strategic plan: 1 - Prove it, 2 - Protect it, 3 - Promote it.

PROVE IT

The Company has been working closely with an HVAC service provider in the United States. The Company has validated the product market fit and helped to develop the final production design which can be installed in less than 15 minutes by any HVAC service technician and sell for less than other similar accessories in the market. The Company has completed testing on the HVAC solution with almost immediate agglomeration at air speeds consistent or superior to most HVAC applications, meaningful improvement of filter performance and improve HVAC performance. The last phase of comprehensive third-party laboratory tests to independently certify the results of this new product range is scheduled for January 2023. The design can be easily adapted to expand beyond the residential HVAC market to service commercial, industrial and agricultural applications.

PROTECT IT

The Company successfully received its second US patent, its agglomeration technology for integrated and HVAC applications. On August 23, 2022, the Company announced that the USPTO issued a Notice of Allowance for new claims related to the Company's air and water purification technology. This was followed by a formal patent issuance on October 25, 2022. (U.S. Patent No. 11,478,742). The allowed patent application, titled, "Ultra-Fine Particle Aggregation, Neutralization and Filtration" (US Patent Application No. 11,291,939) provides broad protection for important aspects of Atmofizer's air purification technology. The Notice of Allowance from the USPTO is directed to a new design that delivers ultra-fine particle agglomeration and nanoparticle reduction performance in larger air ducts with faster-moving air, using less parts.

(Expressed in United States Dollars unless otherwise specified)

PROMOTE IT

The HVAC solution has been designed to scale to other HVAC applications with an asset light strategy that will target existing HVAC suppliers and manufacturers with existing distribution and scale. The Company will look to partner to execute its asset light, technology first approach to license its patented technology for high margin licensing opportunities. The Company is in the final stages of distribution discussions with a partner in the United States to launch its HVAC solution, to be announced in due course.

RESULTS OF OPERATIONS

	For the three months ended					
	September 30, 2022		September 30, 2021		Change	
	$	% (in term of revenue)	$	% (in term of revenue)	$	%
Revenue	-	100.00%	23,585	100.00%	(23,585)	
Cost of goods sold	-	100.00%	(16,775)	-71.13%	16,775	
Gross margin	-	100.00%	6,810	28.87%	(6,810)	

Our initial launch of the portable device application which leveraged our patented agglomeration technology to bunch together small particles and enhance the impact of industry ultra-violet technology to neutralize viruses and bacteria by absorbing more heat. Despite the performance results achieved by the technology to deliver and the increased demand related to the COVID-19 pandemic, the Company was faced with supply chain disruptions that had severe impacts on competitive market pricing where traditional lower cost devices, regulatory marketing claim uncertainty and lack of consumer knowledge of published results in the sector that severely impacted revenues. During the three months ended September 30, 2022, the Company generated nil revenue compared to $23,585 in revenue and a gross profit of $6,810 (28.87%) during the three months ended September 30, 2021. The two core device distributors were affected by the previously reported supply chain disruptions highlighted in our second quarter MD&A which affected their ability to convert their sales pipeline into revenue. Demand for air purifier devices has softened since the decline in COVID-19. In light of the poor sales performance from the Company's main distributor, USA Tech Direct, the Company and USA Tech Direct have decided to phase out their distribution relationship.

In addition, the Company was successful in securing an additional US patent on its agglomeration technology within an HVAC application. On August 23, 2022, the Company announced that the USPTO issued a Notice of Allowance for new claims related to the Company's air and water purification technology. This was followed by a formal patent issuance on October 25, 2022. (U.S. Patent No. 11,478,742). The allowed patent application, titled, "Ultra-Fine Particle Aggregation, Neutralization and Filtration" (US Patent Application No. 11,291,939) provides broad protection for important aspects of Atmofizer's air purification technology. The recent Notice of Allowance from the USPTO is directed to a new design that delivers ultra-fine particle agglomeration and nanoparticle reduction performance in larger air ducts with faster-moving air, using less parts. The Company plans to market this patent to be licensed by air purification device manufacturers, HVAC suppliers and service companies. The Company expects that the application of its agglomeration technology in the HVAC market is a larger market opportunity than the air purifier market in the United States. Products would be available for this market opportunity in the first quarter of 2023.

(Expressed in United States Dollars unless otherwise specified)

	For the nine months ended				Change	
	September 30, 2022		September 30, 2021			
	$	% (in term of revenue)	$	% (in term of revenue)	$	%
Revenue	**210,000**	**100.00%**	**76,585**	**100.00%**	**133,415**	**174.21%**
Cost of goods sold	**(149,707)**	**-71.29%**	**(49,287)**	**-64.36%**	**(100,420)**	**203.75%**
Gross margin	**60,293**	**28.71%**	**27,298**	**35.64%**	**32,995**	**120.87%**

During the nine months ended September 30, 2022, the Company generated revenue of $210,000 with a gross profit of $60,293 (28.71%) compared to $76,585 with a gross profit of $27,298 (35.64%) during the nine months ended September 30, 2021.

	For the three months ended				Change	
	September 30, 2022		September 30, 2021			
	$	%	$	%	$	%
Expenses						
Amortization	239,605	5.30%	-	0.00%	239,605	100.00%
Consulting fees	518,922	11.47%	845,351	40.09%	(326,429)	-38.61%
Depreciation	2,463	0.05%	2,369	0.11%	94	3.97%
Management fees	-	0.00%	400,000	18.97%	(400,000)	-100.00%
Evaluation and exploration costs	-	0.00%	-	0.00%	-	100.00%
Foreign exchange loss	(18,733)	-0.41%	(9,123)	-0.43%	(9,610)	105.34%
General and administrative	65,289	1.44%	69,857	3.31%	(4,568)	-6.54%
Impairment of inventories	336,015	7.43%	-	0.00%	336,015	100.00%
Impairment of lease receivable	-	0.00%	4,756	0.23%	(4,756)	-100.00%
Impairment of receivables	84,000	1.86%	-	0.00%	84,000	100.00%
Investor relations and promotion	-	0.00%	-	0.00%	-	100.00%
Professional fees	142,867	3.16%	363,598	17.25%	(220,731)	-60.71%
Project evaluation costs	-	0.00%	-	0.00%	-	100.00%
Regulatory and transfer agents	10,559	0.23%	8,396	0.40%	2,163	25.76%
Rent	-	0.00%	9,136	0.43%	(9,136)	-100.00%
Research and development	45,891	1.01%	163,587	7.76%	(117,696)	-71.95%
Salaries and wages	288,042	6.37%	66,150	3.14%	221,892	335.44%
Sales and marketing	117,388	2.59%	20,887	0.99%	96,501	462.01%
Share-based payments	2,644,540	58.46%	125,131	5.94%	2,519,409	2013.42%
Travel	47,102	1.04%	38,148	1.81%	8,954	23.47%
	4,523,950	**100.00%**	**2,108,243**	**100.00%**	**2,415,707**	**114.58%**

The Company incurred $4.5 million in expenses during the three months ended September 30, 2022, compared to $2.1 million during the three months ended September 30, 2021. The increase of $2.4 million increase in expenses was driven primarily by an increase in share-based payments of $2.5 million, an increase in amortization of $0.2 million and impairments of inventories and receivables of $0.4 million and an increase in salaries and wages of $0.2 million. There were significant decreases over the previous quarter in management fees ($0.4 million), consulting fees ($0.3 million) and professional fees ($0.2 million). The Company has focused on reducing operating expenses and excluding amortization expenses, impairments of inventories and receivables and share-based payments, operating expenses were reduced by $0.8 million during the quarter ended September 30, 2022.

(Expressed in United States Dollars unless otherwise specified)

In addition, during the three months ended September 30, 2022, the Company recognized an impairment of receivables of $0.1 million and impairment of inventories of $0.3 million. No such impairment was recognized in previous year.

	For the nine months ended					
	September 30, 2022		September 30, 2021		Change	
	$	%	$	%	$	%
Expenses						
Amortization	718,547	4.47%	-	0.00%	718,547	100.00%
Consulting fees	1,423,361	8.85%	2,562,535	43.51%	(1,139,174)	-44.45%
Depreciation	7,387	0.05%	2,725	0.05%	4,662	171.08%
Management fees	-	0.00%	913,750	15.52%	(913,750)	-100.00%
Evaluation and exploration costs	-	0.00%	-	0.00%	-	100.00%
Foreign exchange loss	(10,098)	-0.06%	(800)	-0.01%	(9,298)	1162.25%
General and administrative	240,434	1.49%	224,784	3.82%	15,650	6.96%
Impairment of inventories	712,245	4.43%	-	0.00%	712,245	100.00%
Impairment of lease receivable	-	0.00%	4,756	0.08%	(4,756)	-100.00%
Impairment of receivables	210,000	1.31%	-	0.00%	210,000	100.00%
Investor relations and promotion	-	0.00%	-	0.00%	-	100.00%
Professional fees	481,804	3.00%	564,891	9.59%	(83,087)	-14.71%
Project evaluation costs	-	0.00%	-	0.00%	-	100.00%
Regulatory and transfer agents	107,941	0.67%	8,396	0.14%	99,545	1185.62%
Rent	-	0.00%	17,806	0.30%	(17,806)	-100.00%
Research and development	269,455	1.68%	726,771	12.34%	(457,316)	-62.92%
Salaries and wages	974,788	6.06%	130,092	2.21%	844,696	649.31%
Sales and marketing	1,588,366	9.88%	337,926	5.74%	1,250,440	370.03%
Share-based payments	9,274,682	57.65%	322,875	5.48%	8,951,807	2772.53%
Travel	83,916	0.52%	72,723	1.23%	11,193	15.39%
	16,082,828	**100.00%**	**5,889,230**	**100.00%**	**10,193,598**	**173.09%**

The Company incurred $16.1 million in expenses during the nine months ended September 30, 2022, compared to $5.9 million during the nine months ended September 30, 2021. The increase of $10.2 million in expenses was driven primarily by share based payments of $9.3 million and $1.6 million in sales and marketing expense of which $1 million was paid by issuing the Common Shares. There were significant decreases over the previous year in consulting fees ($1.1 million), management fees ($0.9 million) and research and development expenses ($0.5 million). The Company has focused on reducing operating expenses and excluding amortization expenses, impairments of inventories and receivables and share-based payments, operating expenses were reduced by $1.4 million for the nine months ended September 30, 2022.

In addition, during the nine months ended September 30, 2022, the Company recognized an impairment of receivables of $0.1 million and impairment of inventories of $0.4 million. No such impairment was recognized in previous year.

(Expressed in United States Dollars unless otherwise specified)

	For the three months ended				Change	
	September 30, 2022		September 30, 2021			
	$	% (in term of revenue)	$	% (in term of revenue)	$	%
Loss for the period	**(4,527,888)**	**100.00%**	**(2,099,575)**	**-8902.16%**	**(2,428,313)**	**115.66%**

During the three months ended September 30, 2022, the Company recorded net loss of $4.6 million compared to a net loss of $2.1 million for the three months ended September 30, 2021. The biggest contributors to the increase in the net loss of $2.5 million were share-based payments of $2.5 million, salaries and wages of $0.2 million, impairment charges of $0.4 million and amortization of $0.2 million, which were offset by a decrease in management fees ($0.4 million), consulting fees ($0.3 million) and professional fees ($0.2 million).

	For the nine months ended				Change	
	September 30, 2022		September 30, 2021			
	$	% (in term of revenue)	$	% (in term of revenue)	$	%
Loss for the period	**(16,034,188)**	**-7635.33%**	**(5,858,961)**	**-7650.27%**	**(10,175,227)**	**173.67%**

During the nine months ended September 30, 2022, the Company recorded net loss of $16.1 million compared to a net loss of $5.9 million for the nine months ended September 30, 2021. The biggest contributors to the increase in the net loss of $10.2 million were share-based payments of $9.0 million, sales and marketing of $1.3 million, salaries and wages of $0.8 million, impairment charges of $0.9 million and amortization of $0.7 million, which were offset by a decrease in management fees ($0.9 million), consulting fees ($1.1 million) and research and development ($0.5 million).

SUMMARY OF QUARTERLY RESULTS

	Three months ended			
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
	$	$	$	$
Sales	-	-	210,000	420,695
Gross margin	-	-	60,293	55,901
Interest income	-	-	-	-
Net income (loss)	(4,527,888)	(5,051,985)	(6,454,315)	(15,569,464)
Comprehensive loss	(4,508,563)	(5,042,440)	(6,459,119)	(15,565,231)
Basic and diluted loss per share	(0.04)	(0.05)	(0.07)	(0.21)

	Three months ended			
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
	$	$	$	$
Sales	23,585	53,000	-	-
Gross margin	6,810	20,488	-	-
Interest income	1,858	1,113	-	-
Net income (loss)	(2,099,575)	(1,433,118)	(2,326,268)	(1,150,516)
Comprehensive loss	(2,099,575)	(1,433,118)	(2,326,268)	(1,150,516)
Basic and diluted loss per share	(0.03)	(0.02)	(0.03)	(0.04)

The third quarter loss for 2022 was $4.6 million and loss per Common Share was $0.04. No revenue was generated during the third quarter of 2022. The biggest contributors to the increase in the net loss of $2.5 million were share-based payments of $2.5 million, salaries and wages of $0.2 million, impairment charges of $0.4 million and amortization of $0.2 million, which were offset by a decrease in management fees ($0.4 million), consulting fees ($0.3 million) and professional fees ($0.2 million).

The second quarter loss for 2022 was $5 million and loss per Common Share was $0.05. No revenue was generated during the second quarter of 2022. The Company has taken measures to improve its marketing and sales approach as outlined under the explanation for the second quarter revenue performance above. The loss for the second quarter was primarily driven by share based payments of $2.1 million and $1.4 million in sales and marketing expense of which $1 million was paid by issuing Common Shares.

The first quarter loss for 2022 was $6.5 million and loss per Common Share was $0.08. The Company generated $0.2 million in sales during the first quarter and $0.1 million in gross margin. The loss for the first quarter was primarily driven by share based payments of $4.6 million in the quarter of which $4.1 million was for stock-based compensation.

The fourth quarter loss in 2021 was $15.6 million and loss per Common Share was $0.21. The Company generated $0.4 million in sales during the fourth quarter and $0.06 million in gross margin. The majority of the loss was driven by the one-time listing expense incurred for the quarter ($7.1 million). Share based payments were an additional $4.0 million contributing to the loss in the fourth quarter. Additionally, expenses in research and development ($0.2 million), legal and professional ($0.5 million) and management and consulting fees ($3.6 million) were incurred to raise capital and develop the Company's technologies. Included in the management consulting fees was a one-time $1.2 million write-off on a consulting contract.

The third quarter loss for 2021 was $2.1 million and loss per Common Share was $0.03. The Company generated $0.02 million in sales during the quarter and $0.006 million in gross margin. Expenses in research and development ($0.2 million), legal and professional ($0.4 million) and management and consulting fees ($1.2 million) were incurred to raise capital and develop the technologies.

The second quarter loss for 2021 was $1.4 million and loss per Common Share was $0.02. The Company generated $0.05 million in sales during the second quarter and $0.02 million in gross margin as it launched its products in the United States. Expenses in research and development ($0.4 million), legal and professional ($0.1 million) and management and consulting fees ($0.5 million) were incurred to raise capital and develop the technologies.

The first quarter loss for 2021 was $2.3 million and loss per Common Share was $0.04. The Company had not yet launched its products in the United States at this time. Expenses in research and development, legal and professional and consulting fees were incurred to raise capital and develop the technologies.

The loss for the fourth quarter of 2020 was $1.2 million and loss per Common Share was $0.04. The Company continued during this quarter to develop the technologies that is had licensed. Expenses in research and development, legal and professional and consulting fees were incurred to raise capital and develop the technologies.

LIQUIDITY AND CAPITAL RESOURCES

The Company's activities to date have been funded through equity financings and the Company expects it will continue to be able to utilize this source of financing until it develops sufficient cash flow from operations.

As of September 30, 2022, the Company had working capital of $1,950,474.

The Company established the ATM Program in February 2022 which allows the Company to issue and sell up to C$5 million of Common Shares from treasury to the public, from time to time, at the Company's discretion. To date, the

(Expressed in United States Dollars unless otherwise specified)

Company has issued 46,791,500 Common Shares for gross proceeds of C$2,338,579.95 under the ATM Program as of the date of this MD&A.

There can be no assurances the Company will be successful in its endeavors. If such funds are not available or other sources of finance cannot be obtained, the Company may be forced to curtail its activities to a level for which funding is available or can be obtained.

Cash flow

	For the nine months ended		
	September 30, 2022 $	September 30, 2021 $	Change $
Cash flow used in operating activities	(2,595,825)	(3,674,209)	1,078,384
Cash flow used in investing activities	(64,488)	(5,707,731)	5,643,243
Cash flow from financing activities	1,343,629	13,102,271	(11,758,642)
Effects of exchange rate changes on cash	(782)	-	(782)
Increase (decrease) in cash	**(1,317,466)**	**3,720,331**	**(5,037,797)**

Nine months Ended September 30, 2022 - Cash flow used in operating activities

Following is the breakdown of the cash flow from operating activities:

	For the nine months ended		
	September 30, 2022 $	September 30, 2021 $	Change $
Net loss	(16,034,188)	(5,858,961)	(10,175,227)
Adjustments for items not affecting cash:	12,395,156	3,054,493	9,340,663
Change in non-cash working capital	1,043,207	(869,741)	1,912,948
Cash flow used in operating activities	**(2,595,825)**	**(3,674,209)**	**1,078,384**

Cash used in operating activities was $2.6 million during the nine months ended September 30, 2022, compared to $3.7 million during the nine months ended September 30, 2021, or a decrease of $1.0 million. This decrease of $1.0 million was the result of (1) an increase in cash used in operating activities after adjusting for items not affecting cash of $3.7 million during the nine months ended September 30, 2022 compared to $2.8 million used in the prior period ($0.9 million increase) and (2) a decrease in cash used in non-cash working capital of $1.0 million in the period September 30, 2022 compared to an increase in cash used in non-cash working capital of $0.9 million in the comparable period ($1.9 million increase).

Nine months Ended September 30, 2022 - Cash flow used in investing activities

Cash used in investing activities was $0.1 million in the nine months ended September 30, 2022, compared to $5.6 million used in the comparable period or a decrease of $5.6 million.

Nine months Ended September 30, 2022 - Cash flow from financing activities

Cash generated from financing activities of $1.3 million in the period ended September 30, 2022 compared to $13.1 million in the comparable period or a decrease of $11.7 million.

OUTSTANDING SHARE DATA

At the date of MD&A, the Company had 131,076,556 Common Shares issued and outstanding (December 31, 2021 – 73,930,270).

In addition, as at the date of this MD&A, the Company had 2,484,126 Common Share purchase warrants ("**Warrants**") with an exercise price of $3.50 per Warrant issued and outstanding; 1,000,000 incentive stock options ("**Options**") were issued and outstanding with an exercise prices of $0.02 per Option; and 9,330,000 restricted share units ("**RSUs**") were issued and outstanding.

During the nine months ended September 30, 2022

- The Company issued 4,500,000 Common Shares with fair value of $903,048 to Steinbrenner Racing, LLC.

- The Company entered into a debt settlement agreement with two arm's length vendors to satisfy the debt in the aggregate amount of $621,730 by issuing 4,500,000 Common Shares.

- The Company incurred a $205,888 setup fee for the ATM Program which was recognized as share issuance costs during the nine months ended September 30, 2022. During the nine months ended September 30, 2022, the Company issued and sold 46,791,500 Common Shares under the ATM Program. The gross proceeds of the 46,791,500 Common Shares issued during the nine months ended September 30, 2022, was $1,832,617 (C$2,338,580). In connection with the share issuance of 46,791,500 Common Shares, the Company paid aggregate commissions of $45,819 (C$58,465). The average gross and net share price of the 46,791,500 Common Shares issued under the ATM Program was $0.039 (C$0.049) and $0.038 (C$0.049), respectively during the period. In addition, the Company incurred legal fees of $237,281 which was recognized as share issuance costs during the nine months ended September 30, 2022.

- The Company issued 1,355,000 Common Shares with fair value of $5,474,314 for the settlement of vested RSUs.

- On March 13, 2022, the Company granted 750,000 RSUs with fair value of $70,241 to its Chief Commercial Officer and President. One-third vest on the date of the first anniversary of the grant and one-third will vest every six months thereafter.

- On March 15, 2022, the Company granted 1,000,000 Options with an exercise price $0.25 to its Chief Commercial Officer and President. The Options are exercisable until March 15, 2027. One-third vest will vest every six months thereafter. These Options were cancelled on September 7, 2022.

- On September 7, 2022, the Company entered into an agreement with various option holders to cancel an aggregate of 2,883,333 Options previously granted.

- On September 13, 2022, the Company granted 1,000,000 Options with an exercise price $0.02 to its Chief Commercial Officer and President. The Options are exercisable until September 13, 2027. One-quarter vested immediately and one quarter will vest every three months thereafter.

- On September 13, 2022, the Company granted an aggregate 6,660,000 RSUs with fair value of $100,355 to certain officers and directors of the Company. One-third will vest every three months after the grant date.

- On June 30, 2022, the Company amended the vesting term of 960,000 RSUs previously granted to the Company's directors on November 19, 2021. Under the original term, one-sixth of the RSUs will vest every six months after the grant date. After the amendment, half of the RSUs will vest every six months after the grant date.

Up to the date of this MD&A, under the ATM Program:

- The Company sold and issued 46,791,500 Common Shares with gross proceeds of CA$2,338,580.
- The commission paid for the 46,791,500 Common Shares issued was $58,464.
- The net proceeds received by the Company for the 46,791,500 Common Shares issued was $2,280,115.
- The average gross and net share price of the 46,791,500 Common Shares issued under the ATM Program was $0.039 (C$0.049) and $0.038 (C$0.049), respectively.

SUBSEQUENT EVENT

On November 4, 2022, the Company sold a property based in Mississauga, Ontario (the "Mississauga Property") for C$575,000 to a real estate developer (the "Buyer"). The Company received $150,000 immediately upon closing and agreed to give the Buyer a six-month 7.5% first ranking vendor-take back mortgage against the Mississauga Property for the balance of the proceeds of $425,000. The mortgage matures on May 1, 2023. The Mississauga Property was a non-core asset of the Company, which two of its subsidiaries acquired title to pursuant to a legacy option agreement for nil consideration immediately prior to the sale transaction.

OFF-BALANCE SHEET ARRANGEMENTS

As of September 30, 2022 and the date of this MD&A, the Company did not have any off-balance sheet financing arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. The Company has identified its directors and officers as its key management personnel. Other related parties to the Company include companies in which key management has control or significant influence. Key management personnel receive remuneration from the Company summarized as follows:

During nine months ended September 30, 2022

- The short-term benefits incurred for the key management personnel were $606,576. This amount was recognized as salaries and wages in the statement of loss and comprehensive loss.
- The Company granted the following Options and RSUs to its officers and directors:
  - 1,000,000 Options with an exercise price $0.25, which were cancelled subsequently to its Chief Commercial Officer and President.
  - 1,000,000 Options with an exercise price $0.02 to its Chief Commercial Officer and President.
  - 7,410,000 RSUs to its officers and directors.
- The Company cancelled 1,800,000 Options previously granted to its Chief Executive Officer on April 15, 2021.
- The Company recognized share-based payments of $3,651,924 related to the Options and RSUs granted to the Company's officers and directors.

- In addition, the Company incurred $146,984 in development expenses with a company that was 49% owned by the Company's Chief Executive Officer for internet connectivity and application development for its air purification products. The Company will own the software and application at the end of the project.

During nine months ended September 30, 2021

- The short-term benefits incurred for the key management personnel were $913,750 of which $562,500 was settled by issuing Common Shares.

- The Company issued 1,500,000 Common Shares with fair value of $750,000 to the Company's Chief Financial Officer for the management services to be provided during the year ended December 31, 2021. During the nine months ended September 30, 2021, $562,500 was charged to the statement of income (loss) and comprehensive income (loss) as management fees.

- The Company granted 1,800,000 Options with an exercise price of $0.50 to the Company's Chief Executive Officer and recognized share-based payments of $ 322,875.

- The Company incurred $278,460 in development expenses with a company that was 49% owned by the Company's Chief Executive Officer for internet connectivity and application development for its air purification products. The Company will own the software and application at the end of the project.

- The balances due to the Company's directors and officers were $1,209 as at September 30, 2022 (December 31, 2021 – $4,797).

Unless otherwise noted, all related party balances are unsecured, non-interest bearing with no fixed terms of repayment.

CRITICAL ACCOUNTING ESTIMATES

The preparation of our consolidated financial statements requires Management to use judgment and make estimates and assumptions that affect the reported amounts assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results could materially differ from these estimates. Refer to note 2 of our annual audited consolidated financial statements for the year ended December 31, 2021 for a more detailed discussion of the critical accounting estimates and judgments.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no new or amended IFRS pronouncements effective January 1, 2022 that impacted these consolidated financial statements.

FINANCIAL INSTRUMENTS

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon Management's assessment of the risk and available alternatives for mitigating risk. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support the Company's operations.

Fair value

(Expressed in United States Dollars unless otherwise specified)

The carrying values of cash, amounts receivable, accounts payable and accrued liabilities, and notes payable approximate their fair values due to the relatively short period to maturity of those financial instruments.

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3: Inputs that are not based on observable market data.

As at September 30, 2022 and December 31, 2021, the financial instrument recorded at fair value on the consolidated statement of financial position is cash which is measured using Level 1 of the fair value hierarchy.

Set out below are the fair value of the Company's financial assets and financial liabilities by category:

	September 30, 2022 $	**FVTPL** $	**Amortized costs** $	**FVTOCI** $
Financial assets:				
ASSETS				
Cash	592,209	592,209	-	-
Amounts receivable	200,666	-	200,666	-
Financial liabilities:				
LIABILITIES				
Accounts payable and accrued liabilities	1,169,581	-	1,169,581	-
Notes payable	279,340	-	279,340	-

	December 31, 2021 $	**FVTPL** $	**Amortized costs** $	**FVTOCI** $
Financial assets:				
ASSETS				
Cash	1,909,675	1,909,675	-	-
Amounts receivable	488,195	-	488,195	-
Financial liabilities:				
LIABILITIES				
Accounts payable and accrued liabilities	1,483,342	-	1,483,342	-
Notes payable	293,511	-	293,511	-

Financial risk management

Credit risk

Credit risk is such that a counterparty to a financial instrument will not discharge its obligations resulting in a financial loss to the Company. The Company has procedures in place to minimize its exposure to credit risk.

Management evaluates credit risk on an ongoing basis including counterparty credit rating and activities related to receivables and other counterparty concentrations as measured by amount and percentage.

The primary sources of credit risk for the Company arise from cash and amounts receivable. The Company's maximum exposure to credit risk is minimal as cash is deposited with reputable financial institutions.

For amounts receivable, except for the amount due from a government agency, the Company deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Company monitors the credit risk of customers through credit rating reviews.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due. As of September 30, 2022, the Company had cash of $592,209 to meet short-term business requirements. As of September 30, 2022, the Company had accounts payable and accrued liabilities and notes payable of $1,169,581and $279,340, respectively.

Market risk
The significant market risks to which the Company is exposed are interest rate risk, currency risk, other price risk, and commodity price risk.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's promissory notes are not subject to interest rate risk as it is not subject to a variable interest rate.

Currency risk
The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company's cash, amounts receivable and accounts payable and accrued liabilities are held in United States Dollars and Canadian Dollars; therefore, the Canadian dollar is subject to fluctuation against the United States Dollar.

The Company had the following balances in foreign currency as at September 30, 2022:

	US$	**CA$**
Cash	18,692	787,934
Amounts receivable	22,000	245,462
Accounts payable and accrued liabilities	(354,711)	(1,119,520)
Notes payable	-	(383,774)
	(314,019)	**(469,898)**
Rate to convert to $1.00 USD	1.00000	0.72788
Equivalent to USD	**(314,019)**	**(342,027)**

Based on the above net exposures as at September 30, 2022, and assuming that all other variables remain constant, a 10% appreciation or depreciation of the USD against the CAD would increase/decrease comprehensive loss by $35,000.

For a discussion on the significant assumptions made in determining the fair value of financial instruments, refer also to note 2 of the financial statements for the year ended December 31, 2021.

DISCLOSURE CONTROLS AND PROCEDURES

Management of the Company has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

Pursuant to National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), the Chief Executive Officer and Chief Financial Officer of the Company have filed Venture Issuer Basic Certificates with respect to the financial information contained in the unaudited condensed interim consolidated financial statements for the nine months ended September 30, 2022, and this accompanying MD&A (together, the "**Interim Filings**"). In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the Venture Issuer Basic Certificates. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis disclosure controls and procedures and internal control over financial reporting, as such terms are defined in NI 52-109, may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISKS AND UNCERTAINTIES

To the date of this MD&A, there have been no significant changes to the risk factors set out in the Company's annual management discussion and analysis for the year ended December 31, 2021.

ADDITIONAL INFORMATION

Additional information relating to the Company's operations and activities can be found under the Company's profile on SEDAR at www.sedar.com.