NIRVANA LIFE SCIENCES INC.

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
For the Six Months Ended January 31, 2025

The following management discussion and analysis ("MD&A") has been prepared by the management of Nirvana Life Sciences Inc. ("Nirvana" or the "Company") as of March 10, 2025, and should be read in conjunction with the unaudited interim consolidated financial statements and related notes of the Company for the nine months ended January 31, 2025, and the audited consolidated financial statements of the Company and related notes for the year ended April 30, 2024. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are stated in Canadian dollars unless otherwise indicated.

CAUTIONARY NOTES FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's future business plans and strategy. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" (or "does not expect"), "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" (or "does not anticipate"), or "believes", and other similar words and phrases, or which states that certain actions, events, or results "may", "could", "might", or "will" occur. Forward-looking information is based on assumptions and expectations which the Company considers are reasonable, and which are based on management's experience and its perception of trends, current conditions, and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. The assumptions used to develop forward-looking information include, but not limited to, assumptions about:

- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned business objectives;
- conditions in the financial markets generally;
- the Company's ability to secure the necessary consulting, technical and related services and supplies on favourable terms;
- the Company's ability to attract and retain key staff;
- the nature and location of the Company's plants, and the timing of the ability to commence its business operations;
- the anticipated terms of the consents, permits and authorizations necessary to carry out the planned operations and the Company's ability to comply with such terms on a cost-effective basis; and
- the ongoing relations of the Company with the industry regulators.

Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information. The Company can give no assurance that forward-looking information, or the assumptions and expectations on which it is based, will prove to be correct. The Company does not undertake to revise or update any forward-looking information, except in accordance with applicable laws. Readers should not place undue reliance on forward looking information.

Forward-looking information is subject to known and unknown risks and uncertainties that may cause the actual results, or performance of the Company to be materially different from those expressed or implied by such forward-looking information.

These risks and uncertainties include risk and uncertainties associated with the medical marijuana industry, such as the potential changes in government regulation, and the uncertainty of predicting operating and capital costs. They also include risks and uncertainties that affect the business environment generally, such as changes in interest rates and the condition of financial markets, and changes in exchange rates, and other risks identified herein under "Risks and Uncertainties".

OVERVIEW

Nirvana Life Sciences Inc. was incorporated on May 11, 2011 under the laws of British Columbia, Canada and maintains its head office at Suite 2100, 650 West Georgia Street, Vancouver, B.C. V6B 4N8. The Company's common shares are listed on the Canadian Securities Exchange (the "CSE") under the symbol "NIRV"

Nirvana is primarily engaged in the development of therapeutic products that address addiction. The Company's subsidiary, 1253766 B.C. Ltd. ("1253BC"), has acquired a portfolio of intellectual property from researchers with extensive experience in the psychedelics space.

On July 31, 2023, the Company completed an acquisition of all of the issued and outstanding securities of Medsmart Dispensary Inc. ("Medsmart"), a non-related Canadian based private company. In consideration for all outstanding securities of Medsmart, the Company issued 5,000,000 common shares of the Company to the existing shareholders of Medsmart. Medsmart holds the exclusive license to distribute SOSA, a patented herbal medicine designed to detoxify the human body, for North America with the right to extend the license to territories including Europe, Oceana, and the balance of the Americas. SOSA is a patented, WHO-approved, herbal treatment for opiate addiction that has been administered to more than 30 million patients in Asia. SOSA is registered with the health authorities in China, Indonesia, Thailand, Vietnam, and Cambodia and has been used to treat opiate addictions safely and effectively in these countries for over twenty years. The Company's near-term focus will be the marketing of the Medsmart product.

DISCUSSION OF OPERATIONS

Three month period ended January 31, 2025

The Company is in the research and development phase and has not yet generated operating revenue. During the three months ended January 31, 2025, the Company reported a net loss of $79,074 compared to a net loss of $61,327 during the same quarter in 2024. The decrease in loss is attributed to management's efforts to cut costs. The key expense items for the three months ended January 31, 2025 included management fees of $45,000 (2024 - $45,000), and transfer agent and filing fees of $16,542 (2024 - $5,559).

Nine month period ended January 31, 2025

During the nine months ended January 31, 2025, the Company reported a net loss of $196,560 compared to a net loss of $(533,204) during the same period in 2024. The loss for the fiscal 2025 period relates primarily to general operating expenses of $196,560 (2023 $553,204). The decrease in general operating expenses is attributed to management's cost-cutting efforts. Some of the significant expense items are summarized as follows:

- Management fees of $135,000 (2024 - $135,000) relate to fees accrued to the Company's CEO.

SUMMARY OF QUARTERLY RESULTS

The following is the selected unaudited financial information for the Company's seven most recent quarters ending with the last quarter for the three months ended January 31, 2025.

	Fiscal 2025		Fiscal 2024				Fiscal 2023	
	Jan. 31, 2024	Oct. 31, 2024	Jul. 31, 2024	Apr 30, 31, 2024	Jan. 31, 2023	Oct 31, 2023	Jul. 31, 2023	Apr. 30, 2023
	($)	($)	($)	($)	($)	($)	($)	($)
Total revenues	-	-	-	-	-	-	-	-
Net income (loss)	(79,074)	(61,327)	(56,159)	(338,111)	5,024	(168,731)	(361,497)	(706,189)

Earnings (loss) per share - basic and diluted	(0.00)	(0.00)	(0.00)	(0.01)	0.00	(0.01)	(0.01)	(0.02)

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2025, the Company had a cash balance of $638, a decrease of $1,293 from the cash balance of $1,931 as at April 30, 2024. During the nine months ended January 31, 2025, the Company expended $196,560 in operating activities. The Company's financing activities include $ 85,847 in advances from a related party.

The Company had a working capital deficiency of $1,328,928 as at January 31, 2025 compared to a working capital deficiency of $1,137,401 as at April 30, 2024.

At present, the Company does not have sufficient capital resources to meet its anticipated operating and capital requirements for the next 12 months. Management is considering various financing options to raise capital. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Going Concern

At present, the Company's operations do not generate cash flow and its financial success is dependent on management's ability to continue to raise adequate financing on reasonable terms and to commence profitable operations in the future. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets. The Company's financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Amounts due to related parties of $1,113,576 (April 30, 2024 - $917,938) are fees charged by an officer and companies controlled by a director and officers of the Company. These amounts are unsecured, non-interest bearing, and have no specific terms of repayment.

During the nine months ended January 31, 2024, the Company issued 2,400,000 common shares with a fair value of $96,000 to settle $120,000 of amounts due to related parties. A gain of $24,000 was realized on the settlement.

On August 25, 2022, the Company received a loan of $50,000 from a company affiliated with a director of the Company. The loan is unsecured, bears annual interest at 10% and is payable on November 30, 2022. As at April 30, 2023, the Company accrued interest and late repayment charge totaling $8,397 on the loan. During the nine months ended January 31, 2024, the Company repaid the loan and accrued interest and penalty in full.

During the period from incorporation on June 17, 2020 to April 30, 2021, a company controlled by a significant shareholder of the Company borrowed $100,000 from the Company. The loan was unsecured, repayable on March 15, 2022, and bears interest at a rate of 5% per annum. During the year ended April 30, 2022, the company controlled by the same significant shareholder of the Company borrowed additional $207,000 from the Company. The loan was unsecured, repayable on March 15, 2022, and bears interest at a rate of 5% per annum. As at January 31, 2025, the related party had not repaid the loans totaling $307,000 and the accrued interest receivable on the loans of $28,452. The Company has recorded an allowance for the full amount of $335,4512 due to the uncertainty of the collectability of the amounts during the year ended April 30, 2022. The collection uncertainty continues to exist at April 30, 2024 and January 31, 2025.

Key management personnel include directors (executive and non-executive) and officers of the Company. The compensation paid or payable to key management personnel during the nine month period ended January 31 is as follows is as follows:

		2025		2024
Management fees	$	135,000	$	135,000
Consulting fees				90,000
Research and development				87,986
Share-based payments				150,927
Total	$	90,000	$	463,913

The Company entered into the following related party transactions during the six months ended January 31, 2025:

a) Paid or accrued management fees of $135,000 (2024 - $135,000) to a company controlled by the CEO of the Company.

The Company has entered into a service agreement with a company controlled separately by the Chief Executive Officer ("CEO") of the Company for a total monthly base fee of $15,000, with no specified term. The services agreements may be terminated with a termination payment equal to twenty-four months of base fee.

SUMMARY OF OUTSTANDING SHARE DATA

FINANCIAL INSTRUMENTS

The Company classified its financial instruments as follows: cash and loan receivable from related party as subsequently measured at amortized cost financial assets; and accounts payables, amounts due to related parties, and loans from related parties as subsequently measured at amortized cost financial liabilities.

The carrying amounts of cash, trade and other payables, amounts due to related parties, and loans from related parties carried at amortized cost is a reasonable approximation of their fair value due to the relatively short period to maturity of these financial instruments.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, and interest rate risk. The Company's exposures to these risks and the policies on how to mitigate these risks are set out below. Management monitors and manages these exposures to ensure appropriate measures are implemented on a timely basis and in an effective manner.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash and loan receivable from related party. The credit risk with respect to its cash is minimal as they are held with high-credit quality financial institutions. Loan receivable from related party is due from a significant shareholder of the Company. The Company recorded an allowance for the full amount of $335,451 because the significant shareholder did not repay the loan on due date and has not provided a proposed repayment date. The Company intends to take legal action to recover the loan amount and accrual interest. However, the outcome of the action is not determinable yet.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company performs cash flow forecasting for each fiscal year to ensure sufficient cash is available to fund its projects and operations. As at January 31, 2025, the Company had current assets of $20,439 and current liabilities of $1,328,928. The Company's financial liabilities include trade and other payables which have contractual maturities of 30 days or are due on demand. The loans payable to related parties are due on demand.

At present, the Company's operations do not generate positive cash flows. The Company's primary source of funding has been the issuance of equity securities through private placements. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Interest rate risk

The Company is exposed to interest rate risk arising from the cash maintained at Canadian financial institutions. The interest rate risk on cash is not considered significant due to their short-term nature and amounts.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant areas requiring the use of management estimates include:

i) Depreciation of equipment is dependent upon estimates of useful lives. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

ii) The determination of the fair value of stock options and agent's warrants using option pricing models, require the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate.

iii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Accounting standards or amendments to existing accounting standards that have been issued, but have future effective dates, are either not applicable or are not expected to have a significant impact on the Company's financial statements.

RISKS AND UNCERTAINTIES

The information in this section is intended to serve as an overview and should not be considered comprehensive and the Company may face risks and uncertainties not discussed in this section, or not currently known to us, or that we deem to be immaterial. All risks to the Company's business have the potential to influence its operations in a materially adverse manner.

Lack of operating history and profitability concerns

The Company has a limited operating history, has incurred substantial losses since its inception, has no revenues and is not likely to have no revenues for the foreseeable future due to the fact that our research and development activities will take time to complete. We expect to incur net losses and negative cash flows during our research and development phase, and losses and negative cash flows may continue past this phase as we will need to earn significant revenues in order to cover the costs that will arise with commercialization such as production, marketing, and additional personnel expenses. We may not ever achieve profitability. Even if we do achieve profitability, we may not be able to sustain it.

Additional funding requirements

Substantial additional financing may be required if the Company is to be successful develop its business. As such, the Company is subject to many common risks to new and developing enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further research and development activities.

Immature Psychedelic Industry

The non-recreational psychedelic industry is still a relatively new market. Participants in this industry are hoping that with increasing awareness of the potential therapeutic benefits of psychedelics such as psilocybin, governments may relax regulation with respect to these controlled substances. This may never come to pass, however, and the stringent laws and regulations currently in place for psilocybin-based products may continue to hamper growth of its market. Our expectations with respect to market growth and market share may never be realized.

Even if psilocybin regulation eases up, there is no assurance that this will result in the Company meeting its revenue expectations. The growth rate of any market is unpredictable, and demand for psilocybin therapies may take too long to attain the level necessary for our investors to see a return on investment.

Finally, any nascent industry will not have the infrastructure and established protocols that a more mature industry will have. There are few, if any, standard practices with respect to propagation, production, quality assurance, marketing and distribution when it comes to psychedelic-based medical formulations. We may be compelled to expend resources to devise solutions to problems that would not be present in other industries, or to engage in activities to build infrastructure or create demand. Such expenditures will not only affect our financial results adversely, but may lead to missed opportunities due to the allocation of resources. Moreover, the wide range of uncertainties in the psychedelic industry may deter capital investment, thus making it difficult for us to raise the necessary funds to realize its business objectives.

Changes in law

As laws and regulations in Canada evolve, we may be negatively affected by certain changes in legislation. The scope of laws applicable to us is extensive and include but is not limited to laws regarding controlled substances, intellectual property, product safety and liability, securities, marketing, employment standards and taxation. Any amendments or enactments of laws and regulations relating to the development, production, marketing and distribution of our products and services will have a significant impact on our finances. We may be required to modify our product or service specifications; implement measures to enhance safety, efficacy, or transparency; comply with increased documentation or governance procedures; or pay additional tariffs or taxes. The cost of compliance with laws and regulations includes not just the actions necessary to comply with the legislation, but also to the expense of understanding and interpreting the legislation.

Our exposure to risk arising from changes in law increases with doing business in other countries. The laws of foreign nations may be very different from those in Canada and sometimes unclear. We may encounter difficulties in interpreting such laws and we may be less able to anticipate any upcoming changes due to our unfamiliarity with another legal regime. Considerable expense may be incurred to comply with foreign laws and regulations.

Failure to develop viable product

There is no assurance that we will be able to develop commercially viable products, in particular psilocybin-based drug formulations. Since our research and development program is in its early stages, it will be a long time before we can determine, based on scientific evidence, that our formulations are safe and efficacious. For a drug to be approved by Health Canada, it must undergo rigorous multi-stage testing. (See Narrative.) Positive results from early preclinical research may not be indicative of positive results in the later stages of preclinical or clinical research. We cannot give assurance that our future studies, if any, will yield favourable results. Positive results may also be insufficiently significant in magnitude to warrant continuing with further research.

Even if our product ideas were to reach the clinical testing stage, there is no assurance that we will be able to conclude all phases of testing and development. Aside from the challenge of obtaining enough funding, the likelihood of success in creating safe and efficacious formulations depends on the intellectual acumen of our researchers. The ability to innovate is not something entirely in our control. We may never arrive at a product formulation which is viable for bringing to market.

Operational risks

Our operations involve the use of chemicals and hazardous substances which if handled improperly could result in personal injury and property damage, and if such substances were inadvertently released into the environment, we could be subject to penalties and be liable for removal or remediation costs.

DISCLOSURE CONTROLS

In connection with Exemption Orders issued by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited annual consolidated financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificates under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification 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.

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at www.sedar.com and on the Company web site at https://nirvanalifescience.com.

APPROVAL

The Board of Directors of Nirvana Life Sciences Inc. has approved the contents of this management discussion and analysis on March 10, 2025.