PREDICTMEDIX INC.

(Formerly, Cultivar Holdings Inc.)

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended January 31, 2021

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For the Year Ended January 31, 2021

(Information as at May 31, 2021 unless otherwise noted)

Introduction

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Predictmedix Inc. (the "Company") consolidated financial statements for the year ended January 31, 2021. This MD&A should be read in conjunction with the consolidated financial statements of the Company and the notes thereto for the year ended January 31, 2021. The effective date of this report is May 31, 2021. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless expressly stated otherwise, all financial information is presented in Canadian dollars. This MD&A contains certain forward-looking information and involves risks and uncertainties, including but not limited to, those described in the "Risk Factors" section.

Forward-Looking Statements

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies; the need to obtain additional financing and uncertainty as to the availability and terms of future financing.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward- looking statements contained herein are as of January 31, 2021 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations regarding the ability to raise additional funds, results of the research and development performed in relation to the products and services of the Company, positive result due to the change in business model, possibility of entering into strategic alliance, distribution agreements and other arrangements to market their products and services and possibility of producing viable products through the use of the new technologies purchased and developed.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to early stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

CORPORATE OVERVIEW

Admiral Bay Resources Inc. (“Admiral”) was incorporated in British Columbia on September 3, 1987.

Effective September 23, 2019, Admiral was part of a three-cornered amalgamation among Admiral, 2693980 Ontario Inc. (a wholly owned subsidiary of Admiral) and Cultivar Holdings Ltd. (the “Transaction”). Admiral completed the acquisition of all the issued and outstanding shares of Cultivar Holdings Ltd. by way of a three-cornered amalgamation, pursuant to which 2693980 Ontario Inc., amalgamated with Cultivar Holdings Ltd. Pursuant to the Transaction, each registered shareholder of Cultivar Holdings Ltd. received one (1) common share in the capital of the Admiral for each common share held, resulting in the issuance of an aggregate of 97,439,900 common shares to Cultivar Holdings Ltd. Shareholders. As part of the Transaction, warrants of Cultivar Holdings Ltd. were replaced with common share purchase warrants of Admiral.

At completion of the Transaction, Admiral changed its name to Cultivar Holdings Inc. (the “Company”).

On April 9, 2020, the Company announced that it has completed its name change from "Cultivar Holdings Inc." to "Predictmedix Inc." (the "Name Change"). The CUSIP number assigned to the Company's common shares following the name change is CUSIP 74040L100 (ISIN CA74040L1004). In connection with the Name Change, the Company's trading symbol, as listed on the CSE and the OTCQB have also been changed from "CULT" to "PMED", and from "CVRHF" to "PMEDF", respectively.

On February 15, 2018, the Company had acquired a 49% interest in a newly incorporated Cultivar JA Limited, (“CJA”) a corporation incorporated under the laws of Jamaica. The remaining 51% interest was owned by local Jamaican business partners. On March 27, 2020, the Company sold and discontinued its interests in CJA.

On July 16, 2018, the Company had acquired a 100% interest in a newly incorporated CannIP Holdings Inc. (formerly 2639745 Ontario Inc.) (“Cann”) a corporation incorporated under the laws of the province of Ontario. Cann is engaged in the development of cosmetic and edible product lines, as well as investment in technology to detect an individual influence of cannabis. The Company did a one for one share exchange with Cann and issued 29,800,000 common shares to the shareholders of Cann.

The Company, through its subsidiaries, is in the business of investment in technology to detect if an individual is under the influence of cannabis and to predict substance addiction. The Company's corporate head office is located at 77 King Street W, Suite 3000, Toronto, Ontario, Canada, M5K 1G8.

The Company is currently focused solely on artificial intelligence ("AI") technologies which are targeting two specific areas: 1) Workplace health and safety and 2) Healthcare. The company has bolstered its advisory board by bringing on board Mr. Kapil Raval as the chairman of the advisory board. Mr. Raval is a subject matter expert in AI and currently serves as the director of business development at Microsoft for AI, for several of their AI related initiatives globally. Furthermore, the Company has announced appointment of several global clinical experts to the board as it expands further into the healthcare segment while also bringing on business leaders from different parts of the world to assist with business development in areas which are strategic for the Company's technologies.

In October 2020, Accenture wrote about how Predictmedix is innovating to help with the current COVID-19 pandemic: https://www.accenture.com/us-en/blogs/insight-driven-health/health-innovation-a-cure-for-covid-19-disruptions. Accenture is a multinational professional services company and a Fortune Global 500 company. Predictmedix was one of only three companies which were referenced by Accenture.

Impairment: The company is focused on developing AI powered technologies for workplace and law enforcement to identify cannabis and alcohol impairment.

Currently, companies are in the process of trying to develop breathalyzers for THC (Tetrahydrocannabinol), the psychoactive ingredient in cannabis. However, the biggest drawback with THC breathalyzers is the lack of correlation with impairment which has been brought up in several studies conducted to date. Furthermore, breathalyzer technology (cannabis or alcohol) is not suited for use at the workplace.

The Company has developed a technology to detect drug impairment using proprietary Artificial Intelligence (AI) technology algorithms with a decision-making ability to identify if someone is driving under the influence of cannabis and alcohol. The AI algorithms use several unique data points with facial and voice recognition to identify impairment. Applications for detecting drug impairment can range from roadside impairment tests to workplace safety. We have filed patents to protect our technology and are currently patent pending; these are effectively with the first set of patents in the world that incorporate and utilize AI to detect impairment. The Company is in the process of completing a study with over 3500 participants, which will further solidify our technology.

We will license our software to two distinct markets; law enforcement agencies and a variety of industries that are concerned about impairment in the workplace such as manufacturing, mining, and aviation. Our partnerships forged in 2020 will be of immense value in marketing to the workplace related markets.

Currently, the company is under discussions with major corporations to start cannabis & alcohol impairment testing pilots in North America and at the same time, the Company has ramped up marketing and sales efforts to identify beta partners targeting strategic sectors in North America.

Healthcare: The company is developing AI based solutions to mass screen for infectious diseases and mental health disorders.

The current COVID-19 pandemic has placed an unprecedent stress on the global economy which has brought upon renewed scrutiny to workplace health and safety. The Company is addressing respiratory illnesses and other infectious diseases by offering an AI driven technology to screen for symptoms, which can be used as a first step screening in shared spaces. The COVID-19 pandemic has turned into a threat for global security and economic stability, resulting in unprecedented job losses not seen since the great depression. Identification and tracking of an infectious disease or an outbreak of a global pandemic is a critical element of controlling the spread of disease across geographical areas. Furthermore, infectious diseases such as COVID-19 are likely to return in waves as there are new variants which are beginning to arise. Additionally, diseases such as influenza carry a multi- billion dollar burden every year due to loss in productivity with employees spreading the diseases in workplace setting. According to World Health Organization, Influenza is a serious global health threat that impacts all countries: every year, there are an estimated 1 billion cases, 3-5 million severe cases, and 290 000-650 000 influenza-related respiratory deaths worldwide. As such, there is a significant urgent need to have mass screening technologies which can identify potential COVID-19 cases along with carriers of other infectious diseases such as influenza without the need for human intervention and can be deployed in places where there is movement of large numbers of people. For instance, but not limited to, healthcare, transit hubs, airports, malls, shopping centers, casinos, concerts, arenas and office buildings. One of the primary factors leading to the outbreak of COVID-19 virus has been the relative lack of rapid screening tools for the masses. The lack of such tools has resulted in a failed containment effort which led to a global pandemic and an unprecedented economic disruption. The company is positioning its technology as an integral offering in shared spaces (similar to metal detectors), which can help create safe environments as society begins to open up after the pandemic.

The company has developed a proprietary technology (patent pending) to screen for symptoms associated with COVID-19 and other related infectious diseases. There is no need for any bodily fluids and there is no human exposure as the screening is carried out using multispectral cameras which can be installed at any facility. The company has filed a patent for the technology.

The artificial intelligence ("AI") powered technology utilizes multispectral imaging with a focus on visual spectral imaging along with infrared thermography to identify individuals exhibiting symptoms associated with infectious diseases. The AI technology monitors and identifies potential presence of infectious disease symptoms such as fatigue, headache, coughing, sneezing, blood flow, sweat gland activation, metabolism, fever along with other key determinant factors. The technology can be deployed using multispectral cameras in facilities where there is large movement of people. The data collected is brought into a central server / cloud for analysis and alerts are sent in case of a positive detection. Privacy concerns are addressed by using dedicated servers, access control, no video data storage, only processing being carried out by our technology. Furthermore, even the summarized frames lack any personal identifiers. Additionally, the information on the camera stays anonymous so we cannot map which camera it is. The technology has been further refined and assembled in a proprietary hardware configuration (patent pending) which can be deployed in any facility with an electricity and an internet connection. This is in form of gateway structures like metal detectors seen in facilities all over North America. In addition to the technology development, the company has laid the foundation for business development by fostering multiple partnerships in different corners of the world. The Company has not only formed partnerships with healthcare organizations but has also partnered with companies which will be of tremendous value as the Company fosters business development in different parts of the world.

Mental health disorders carry a huge healthcare burden in North America. Approximately 15.5% of the global population is affected by mental illnesses, and those numbers are rising and are likely to be further exacerbated due to the current COVID-19 pandemic. Although there are many who require treatment, more than 50% of mental illnesses remain untreated. More than $201 billion is spent on mental health annually in the US, making mental health the most expensive part of the healthcare system. However, the diagnosis of mental health disorders is based on an age-old method that can be subjective, unreliable and unfortunately there are no blood tests for most mental health disorders. This highlights a clear need for disruptive technologies in the space. The company is also developing AI powered technologies to assist with diagnosis and management of mental health disorders such as depression, autism, ADHD and dementia.

In June 2020, Predictmedix also announced partnership with Max Healthcare for facial technologies leading to neurological diagnostics for mental health disorders. Max Healthcare will be assisting Predictmedix with data collection for the mental health screening technology and will also be piloting the technology. The Company also announced appointment of Dr. Deepu Banerji, a neurosurgeon with more than 34 years' experience in microscopic and minimal invasive neurosurgery to the scientific advisory board. He is a 'Sugita Fellow' from Nagoya University, Japan for microneuro-surgical training and has been consistently ranked amongst the top 5 neurosurgeons in India. Dr. Banerji will play a key role in assisting Predictmedix with the development of AI technologies to screen for mental health disorders using patient data. Dr. Banerji has performed over 8,000 surgeries and has served as a board member for several prominent Neurology societies in Asia. He is a Member Editorial Board of Surgical Neurology International and has been conferred Honorary Member of Society of Neurosurgeons of South Africa.

The following is a summary of major partnerships announced by the Company during the year ended January 31, 2021:

Healthcare partnership: In May 2020, the Company announced deployment of its AI mass screening technology for infectious disease symptoms with Max Healthcare. Max Healthcare is one of South Asia's leading comprehensive provider of standardized, seamless and international-class healthcare services. It is committed to the highest standards of medical and service excellence, patient care, scientific and medical education. Max Healthcare has 14 hospitals in India, offering services in over 30 medical disciplines. Max Healthcare has a base of over 3,000 doctors, 10,000 employees and over 2.2 million patients from over 80 countries, across its network of 14 hospitals.

Business development partnership: In May 2020, the Company has also announced execution of a major sales contract with Juiceworks Exhibits ("Juiceworks"), a full-service design and build company that creates brand experiences for leading brands across North America with operations both in Canada and the USA. Utilizing the company’s symptom mass screening technology, Juiceworks is offering safe indoor/outdoor entry solutions using custom-fabricated temporary structures. All of the entry solutions being sold by Juiceworks across North America will be retrofitted with the company’s technology for symptom mass screening. The company’s technology will be deployed using a software as a service ("SaaS") model whereby for every camera or scanner installation, there will be an upfront customization fee followed by a monthly subscription fee model based on the number of screenings contributing to recurring revenue on a monthly basis. The contract is a multiyear contract which can be extended up to 3 years. In parallel, the company is working diligently through its partners and sales team for a North American expansion and deployment of the mass screening technology.

Business development partnership: In June 2020, the Company also announced a sales contract with Caribbean Digital Media Academy (CDMA), a services integrator company registered in Jamaica that commenced operations in 2015. CDMA specializes in; development, deployment and management of highly immersive joint smart IT solutions. CDMA will act as a distributor for Predictmedix technology for the Caribbean with a specific focus on government and hospitality sectors. Predictmedix technology will be deployed using a software as a service ("SaaS") model whereby for every camera or scanner installation, there will be an upfront customization fee followed by a monthly subscription fee model based on the number of screenings contributing to recurring revenue on a monthly basis. The recurring revenue will be shared between Predictmedix and CDMA. Some of the projects successfully implemented by CDMA in their short history include: designed and implemented exclusive encrypted wireless island wide network for the Jamaica Earthquake unit that involved connecting wirelessly over 80 remote seismic solar powered devices for real time monitoring and information by the central unit at University of the West Indies (UWI); designed and implemented real time smart video monitoring by police, government departments and authorized private sector organizations of highly sensitive scrap metal sites in Jamaica. The contract included designing and integrating an exclusive wireless network, artificial intelligence (AI) security software and IP CCTV camera systems.

Business development partnership: In June 2020, Predictmedix also announced a collaboration with Tech Mahindra Ltd, a leading provider of digital transformation, consulting and business re-engineering services, to offer AI-Based Healthcare solutions as a part of suite of post-COVID-19 technology. The COVID-19 pandemic has brought upon significant disruption to the global economy which has impacted all the major industries and has highlighted the importance of workplace safety. In keeping with the lines of workplace safety, Tech Mahindra is assembling a suite of technologies which will have a relevance in a post-COVID-19 environment from the context of workplace health and safety.

Business development partnership: In July 2020, Predictmedix announced the execution of a sales contract for its COVID-19 screening technology with Taurus Medical Solutions ("Taurus"), a medical distributor based out of the United Kingdom which is also a supplier to United Kingdom National Health Service "NHS".

Business development partnership: In August 2020, Predictmedix announced that it will be deploying its infectious disease symptom screening technology along with alcohol and impairment screening technology at Indian Oil Corporation Ltd (NSE:IOC.NS), ("IOCL") an Indian Public Sector Undertaking Fortune 500 company. Indian Oil Corporation Limited (IOCL), commonly known as Indian Oil is an Indian government-owned oil and gas company headquartered in New Delhi. It is ranked 1st in Fortune India 500 list for year 2016 and 117th in Fortune Global 500 list of world's largest companies in the year 2019. It is India's largest downstream oil company, with a workforce of more than 33,000 employees, with 2019 revenue of $85 billion USD.

Business development partnership: In August 2020, Predictmedix announced deployment of its infectious disease symptom screening technology in partnership with Juiceworks Exhibits (“Juiceworks”) at Flow water (Aurora, ON). Flow is one of the fastest growing premium water brands in North America, offering naturally alkaline spring water in a range of flavors. The Flow brand is available at over 20,000 retailers across the United States, Canada, and Europe including Whole Foods Market, Loblaws, Sobeys, Metro, Rexall, Farm Boy, Sprouts Farmers Market, CVS, Safeway, Wegmans, Harris Teeter, Walmart, Giant Eagle, Bristol Farms, Raley's, Vitamin Shoppe, and Planet Organic.

Business development partnership: In September 2020, Predictmedix announced deployment of symptom screening technology in partnership with Juiceworks at IFMA 40th World Workplace this December at the Gaylord Texan Resort hotel and convention Centre. However, the event was moved to an online only event because of the ongoing pandemic.

Healthcare partnership: In November 2020, Predictmedix announced partnership with the research group led by Dr. Samira Rahimi for clinical research. Professor Rahimi is an Assistant Professor in McGill University’s Department of Family Medicine, associate member of McGill’s Electrical and Computer Engineering Department, and affiliated scientist at the Lady Davis Institute for Medical Research of Jewish General Hospital. Predictmedix will be working with Dr. Rahimi’s research group for its three industry verticals which include screening for infectious disease associated symptoms, screening for cannabis/alcohol impairment along with mental health screening technologies which are being developed by the company.

Business development partnership: In November 2020, Predictmedix announced a partnership with Paras Defence & Space Technologies Ltd. (“Paras”), which is India’s most progressive Tier 2 Defence Engineering Company to target the government and the public sector market in South Asia. Paras defence is one of the largest providers of defence related technologies to the Indian government and has clientele extending into other Asian countries along with the Middle East. Together, Paras and Predictmedix have identified significant business opportunities in the government and the public sector in India. Predictmedix will be working with Paras to launch its infectious disease symptom screening technology along with impairment screening technology within these sectors.

Business development partnership: In December 2020, Predictmedix announced a partnership with Wellness 4 Humanity to deploy the technology at a major shopping mall in Texas. Led by a team of social entrepreneurs, Clinicians, and wellness gurus, Wellness 4 Humanity was one of the first on the scene to offer disruptive Covid-19 testing to support communities and organizations throughout the pandemic. The Wellness 4 Humanity team has a passion for making the world a better place through social impact, business, company culture, and personal development using cutting edge science. The Houston Galleria mall will be home to the new Wellness 4 Humanity store, a mecca for all-things health and wellness, featuring the latest innovations in technology designed to improve quality of life and overall wellbeing. The Galleria is Texas’ largest and most luxurious shopping destination with more than 400 stores. The store will house a Safe Entry Station performing live screening for symptoms associated with infectious diseases such as COVID-19.

Furthermore, Predictmedix announced a public showcase of the technology in New York City. The Safe Entry Station will be showcased in a Live event on Jan 26, 2021 in New York City by Wellness4Humanity. Wellness4Humanity’s New York City (NYC) flagship location opens at 225 West 34th Street near Pennsylvania Station in the heart of Herald Square in the two-story high-impact space formerly occupied by Lane Bryant. The flagship location will be showcasing a Safe Entry Station powered by Predictmedix’s proprietary infectious disease symptom screening technology.

In addition to focusing on organic growth, the Company has also focused on strategic acquisitions to bolster the technology portfolio which will carry long term value to the shareholders of the company. As such, in June 2020, the Company also announced a strategic acquisition which is a major step towards turning its screening technologies into a complete enterprise solution. The company announced the acquisition of MobileWellbeing, an innovative, feature rich, Telemedicine Remote Patient Monitoring platform that will integrate with Predictmedix’s Artificial Intelligence (“AI”) driven rapid screening system for infectious diseases, including COVID-19. This will also integrate with the Company’s screening modules for impairment and mental illness. The MobileWellbeing platform addresses several of the gaps currently observed with comparable platforms which are offered by a few public companies trading at high valuations.

MobileWellbeing has demonstrated its value in multiple different programs over several years, and has shown benefits such as improved patient health, minimized the impact of chronic disease, and driven down the cost for care through remote monitoring. The technology has been successfully used at Arnprior District Memorial Hospital for Chronic Obstructive Pulmonary Disease (Ottawa/Ontario), Algonquin College (Nursing department) for diabetes management and StonyBrook Hospital (New York, US) with the Pediatrics team that manage patients in the community with high-risk pregnancies, teenage pregnancies and mothers in low income housing for wellness of their infants. The technology has also been used by the Cardiology department for Hypertension.

Compared to its competitive environment, MobileWellbeing has a unique and robust set of features such as, Assisted Monitoring that allows for data collection, transmission, evaluation, notification and intervention at home or through kiosks that might be especially useful in Long Term Care and Retirement Community settings.

The Interactive Voice Response System also gives patients the accessibility to interact with the system without the need for internet connected devices. This is an important consideration given the breadth of population affected and for regions, sometimes remote, where connectivity remains a major issue. The MobileWellbeing platform's suite of features are uniquely applicable to multiple use cases that impact Predictmedix clientele. Workplaces of all sizes and sectors want their Human Resources ("HR") departments to monitor employee recovery during quarantine periods and manage their transition back to work while maintaining employee privacy. Healthcare providers will now have a very robust tool to be able to remotely manage all aspects of care, recovery, and support whilst protecting all parties from the dangers of further infection transmission.

In July 2020, Predictmedix also filed two patent applications, 68048131 - System and method to automatically recommend and adapt a treatment regimen for patients and 63048152 - System and method to manage a rewards program for patient treatment protocols, with the United States Patent and Trademark Office.

A patient can be critically ill or is not in a condition to visit the hospital or a medical physician on a regular basis. Such restriction may result in the deterioration of health of the patient. For example, a patient may be bed ridden and perfectly in good health but requires necessary monitoring of their health condition. At the same time, the patient is also reluctant to go to the hospital. In another scenario, the patient may be in a critical condition and needs lifesaving treatment before the patient can reach the hospital. All these scenarios require a system that can automatically recommend and adapt to a treatment so that the both lifestyle management and/or prescriptive analytics can provide better health management to a patient.

The technology developed by Predictmedix (patent pending) uses Artificial Intelligence to provide a method and system of management in automatically recommending and adapting to a treatment regimen. More specifically, the system and method for automatic recommendation and treatment regime for a patient involves gathering patient data, patient inputs, and a treatment pathway controller treatment to identify time series event, apply rules for diagnosis of disease, taking an approval from a medical expert, and providing the detail treatment plan for the patient.

Due to large scale outbreak of various infectious, non-infectious, heredity and other lifestyle diseases, it has become important to ensure that patients strictly follow the treatment protocol to live a healthy life. As such, it is important to motivate the patient to strictly follow the prescribed protocol by a medical expert to maintain good health.

The technology developed by Predictmedix (patent pending) provides a novel method and system of management of a reward program for a patient treatment program. More specifically, the system and method of management of a reward program for a patient treatment program provides for reward points to motivate the patient to follow the treatment protocol.

In August 2020, Predictmedix also filed a patent application, 63058567 - Utilizing healthcare providers network effect to increase compliance for better health outcomes, with the United States Patent and

Trademark Office (USPTO) on July 30, 2020. The patent further enhances the features offered by Predictmedix telehealth/telemedicine and remote patient monitoring platform. The present invention provides a novel method and system of management of rewards for care provider network for assisting in improved health of the patient and for compliance to a treatment protocol. The patent covers a partner reward management system and method for care partners/care providers to collectively contribute to improved health of the patient and accordingly rewarding the care providers and other wellness partners.

In October 2020, Predictmedix announced a partnership with Versus Systems (CSE:VS) (CSE:VS.CN) (OTCQB:VRSSF) (FRANKFURT:BMVA) to bring tools for clinical trials to the market. PredictMedix will be working with Versus to integrate Versus' proprietary rewards platform with it's proprietary remote patient monitoring platform to the healthcare vertical - allowing healthcare providers, Contract Research Organizations (CROs), and life science companies to use rewards to recruit and retain a broader range of patients, and to promote compliance in testing medical therapies. This will allow PredictMedix to enter a new industry vertical of clinical trials which is a $40 billion market opportunity as estimated by Fortune Business Insights. Predictmedix is currently finalizing the MSA agreement with Versus Systems.

In October 2020, Predictmedix provided a corporate update to highlight the challenges faced by the company in the quarter regarding the infectious disease screening solution and also provided an update on mobilewellbeing telehealth platform.

The partnerships forged by the company are the building blocks towards business development and revenue growth. As such, by improving supply chain procurement, coordinating with our resellers to ready gateways for deployment, expanding our internal support team, and ongoing product refinement, we believe the Company is positioning itself for growth that will build through and provide sales momentum into the 2021 calendar year.

Mobile Wellbeing, the remote patient monitoring platform acquired by Predictmedix is particularly strategic from the point of turning our screening solutions into enterprise solutions with back end patient or employee return-to-work monitoring. Additionally, this acquisition allows Predictmedix to enter the growing markets of telehealth and clinical trials. Clinical trials traditionally require on-site monitoring to ensure human subject protection, data integrity and quality. During the current pandemic however, clinical research sites have reduced and restricted on-site monitoring. Travel restrictions and safety issues further compound the challenges of monitoring on-site. The FDA guidance for conducting clinical trials during COVID-19 restrictions supports remote monitoring for oversight of clinical sites. Long Term Care (LTC) and retirement residences have particularly come under broad scrutiny. While the media attention is due to the high incidence of deaths when COVID-19 enters these facilities, the coverage has also revealed devastating shortfalls in LTC's oversight and transparency when it comes to providing care to their elderly residents. We view these two market sectors as being highly valuable for Mobile Wellbeing and are concentrating efforts to ensure the platform addresses their unique and urgent challenges, as well as offering an important add-on module to our screening solutions.

On the development side, we are currently integrating the latest wearables to monitor for vitals including heart rate, respiratory rate, blood pressure and temperature, which are foundational to physiological changes tracked by Clinical Trials and LTC. In parallel, our commercialization efforts have led to significant discussion with several large potential commercial partners that can provide both initial implementations and material rollouts through multiple organizations and locations. Our focus markets are North America for Long Term Care, and Asia for clinical trials and hospitals. We anticipate the launch of our remote patient monitoring platform with commercialization partners in 2021.

Overall, the year was strategic for the company to lay foundations for long term success. In addition to forging healthcare partnership, the company formalized multiple partnerships for business developments and successfully deployed its technology at multiple client sites including fortune 500 companies. The focus of the company is on business growth and revenue generation through both organic growth and strategic acquisitions. The strategic partnerships nailed in the year ended January 31, 2021 will pave the way for sales and business growth in the upcoming fiscal year.

Merger transaction

During the year ended January 31, 2020, the Company completed the following acquisition:

Effective September 23, 2019, the Company was part of a three-cornered amalgamation among the Company, 2693980 Ontario Inc. (a wholly owned subsidiary) and Cultivar Holdings Ltd. (the "Transaction"). The result of the transaction was that Admiral acquired all the issued and outstanding securities of Cultivar Holdings Ltd. on the basis of one share of Admiral for each share of former Cultivar. All outstanding warrants to purchase former Cultivar shares were exchanged, on an equivalent basis, for warrants to purchase shares of the Company. At completion of the transaction, Admiral changed its name to Cultivar Holdings Inc. and former Cultivar was amalgamated into 2693980 Ontario Inc.

Under IFRS, this was considered a Reverse Merger and Recapitalization (commonly referred to as a Reverse Take Over or "RTO"). The Company issued 6,514,249 shares valued at $0.21 per share, with a total value of $1,367,992 for the acquisition.

The fair value of the acquired assets and liabilities assumed is as follows:

Assets acquired by the Company:		
Cash	$	3,448
Prepaid expenses		1,125
Liabilities assumed by the Company:		
Accounts payable		(19,127)
Loans payable		(107,526)
Net liabilities assumed		(122,079)
Fair value of shares issued		(1,367,992)
Loss on acquisition	$	(1,490,071)

The current directors and officers of the Company are:

Sheldon Kales (Director and Chief Executive Officer),
Dr. Rahul Kushwah (Director and Chief Operating Officer),
Rakesh Malhotra (Chief Financial Officer and Corporate Secretary),
Tom Sipos (Director),
Ajit Kumar (Director).

Sale of interest in Cultivar JA Limited

On March 27, 2020, the Company entered into a sale agreement (the "Sale Agreement") with respect to its 49% interest in Cultivar JA Limited ("Cultivar JA"), which holds a provisional cannabis cultivation license in Jamaica.

Pursuant to the terms of the Sale Agreement, the Company's wholly-owned subsidiary, Cultivar Holdings Ltd., agreed to sell its 49% interest in Cultivar JA and all related royalty interests to the principals of Cultivar JA in exchange for the principals of Cultivar JA agreeing to return and cancel 4,000,000 common shares of the Company owned by the principals. In addition, the principals also agreed to terminate their right to receive an additional 500,000 common shares of the Company which had been reserved for issuance upon Jamaica's Licensing Authority issuing final approval for Cultivar JA's license.

The sale agreement constituted a discontinued operation involving the loss of control of Cultivar JA by the Company. A discontinued operation is a component of the Company's business that represents a separate major line of business or a geographical area of operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or earlier if the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation the comparative statement of comprehensive loss and cash flow operation is re-presented as if the operation had been discontinued from the start of the comparative period.

The sale agreement constituted a discontinued operation of the Company effective March 27, 2020. As a result, all the assets and liabilities of Cultivar JA have been removed from the statement of financial position of the Company. The cancellation of 4,000,000 shares of the Company have been valued at $540,000, being the fair value of the shares on the date of the sale transaction.

The expenses of Cultivar JA have been determined to be a discontinued operation by the Company, and as a result, have been disclosed separately on the statement of income (loss) and comprehensive income (loss)

	For the year ended January 31, 2021	For the year ended January 31, 2020
Expenses:		
Administration and general	**$ -**	$ 3,327
Amortization	**2,871**	17,804
Interest expense	**687**	4,165
Legal fees	**-**	4,432
Samples and testing	**-**	260
Travel, entertainment and related	**2,014**	8,004
Net loss for the period prior to the sale transaction	**(5,572)**	(37,992)
Gain on divestiture	**351,868**	-
Income (loss) from discontinued operations, net of tax	**$ 346,296**	$ (37,992)

Intangible Assets

a) On July 21, 2020, the Company completed the acquisition of MobileWellbeing (“MWB”), an innovative, feature rich, Telemedicine Remote Patient Monitoring platform that will integrate with the Company’s Artificial Intelligence ("AI") driven rapid screening system for infectious diseases, including COVID-19.

The consideration for the purchase was satisfied by payment in cash for $25,000, issuance of 20,000 shares and additional 30,000 shares to be issued on the 90th day of close. Consideration paid in the form of equity instruments is being considered share- based payment within the scope of IFRS 2 Share-based Payment and this asset acquisition is fair valued for a total consideration for $78,000 at the point control was obtained.

The acquisition has contingent considerations and royalty payments on achievement of certain milestones. The Company shall pay royalty of 20 percent of gross sales from the first $2.5 million in sales generated exclusively from the MWB platform. In addition, the Company is obligated to issue an additional 200,000 common shares commencing with the release of the initial version of the MWB platforms to the market and achievement of sales related milestones.

Contingent consideration in an asset acquisition was discussed at the March 2016 IFRS Interpretations Committee (IFRIC) meeting. An accounting policy choice exists, therefore an entity may recognize a liability for the expected variable payments at the time control of the underlying asset is obtained or they may only recognize such a liability as the related activity that gives rise to the variability occurs. The Company has opted to recognize the liability only when the related activity that gives rise to the variability occurs.

Consideration	
Cash consideration on closing	$ 25,000
Issued shares (50,000 shares issued at $1.06/share)	53,000
	$ 78,000

Purchase Price allocation	
Intangible asset- MWB remote patient monitoring platform	$ 78,000
	$ 78,000

b) The Company's other intangible asset relates to the development of infectious disease symptom screening solution ("IDSS").

These intangible assets are currently in the development phase and are not in use. Amortization will be recorded on these intangible assets from the date when they are put to use.

The Company's intangible assets are comprised of the following:

		MWB		IDSS		Total
Cost						
Balance at January 31, 2020	**$**	**-**	**$**	**-**	**$**	**-**
Acquisition		78,000		-		78,000
Additions		13,970		156,040		170,010
Balance at January 31, 2021	**$**	**91,970**	**$**	**156,040**	**$**	**248,010**
Net Book Value						
Balance, January 31, 2020	**$**	**-**	**$**	**-**	**$**	**-**
Balance, January 31, 2021	**$**	**91,970**	**$**	**156,040**	**$**	**248,010**

Subsequent Events

- On March 5, 2021, the Company announced that it has that it closed a non-brokered private placement for gross proceeds of $1,090,085. A total of 3,114,529 units were issued at a price of $0.35 each. Each unit is comprised of one common share of the Company and one warrant, with each warrant exercisable into a common share at an exercise price of $0.50 per share for a period of two years.

- On March 23, 2021, The Company granted options to its consultant to purchase up to 250,000 common shares. These options were issued at an exercise price of $0.36 per share and vest immediately. These options expire one year from date of grant.

SELECTED FINANCIAL INFORMATION

The following table contains selected financial information of the Company for the years ended January 31, 2021 and 2020.

	Year ended January 31, 2021 *$*	*Year ended January 31, 2020* *$*
Total operating expenses	(1,930,829)	(782,829)
Income (loss) from discontinued operations	346,296	(37,992)
Loss from acquisition of subsidiary	-	(1,490,071)
Net loss and comprehensive loss	(1,584,533)	(2,310,892)
Loss per common share – basic and diluted	(0.016)	(0.024)
Weighted average number of common shares outstanding	101,195,130	97,820,135

The chart below presents the summary financial information of the Company:

	As at January 31, 2021 *$*	*As at January 31, 2020* *$*
Current assets	747,445	1,634,379
Non-current assets	256,198	32,383
Total assets	1,003,643	1,666,762
Current liabilities	135,354	79,838
Total long-term liabilities	-	3,268
Shareholders' equity	868,289	1,583,656
Cash dividends per common share	-	-

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Expenses and Net Loss

Total operating expenses for the year ended January 31, 2021, were $1,930,829 as compared to operating expenses of $782,829 for the year from January 31, 2020.

Significant variances

Non-cash share-based compensation of $946,361 for the year ended January 31, 2021 (prior year $10,387), consists of the fair value (Black- Scholes calculation) of the vesting of options to directors, officers and consultants.

On April 6, 2020, the Company granted options to its directors, officers and consultants to purchase up to 9,850,000 common shares. These options were issued at an exercise price of $0.15 per share and have varying vesting periods, with the majority being in equal installments over a quarterly basis throughout the term. These options have a term of one (1) year expiring on April 6, 2021. The Company expensed $742,833 for the vesting of these options during the year ended January 31, 2021 (Prior year: $nil).

On July 17, 2020, the Company granted options to a consultant to purchase up to 80,000 common shares. These options were issued at an exercise price of $1.02 per share and vest one year after date of grant. These options have a term of five (5) years expiring on July 17, 2025. The Company expensed $40,603 for the vesting of these options during the year ended January 31, 2021 (Prior year: $nil).

On September 17, 2020, the Company granted options to a consultant to purchase up to 200,000 common shares. These options were issued at an exercise price of $0.54 per share and vest on date of grant. These options expire on March 30, 2022. The Company expensed $81,979 for the vesting of these options during the year ended January 31, 2021 (Prior year: $nil).

On September 21, 2020, the Company granted options to a consultant to purchase up to 250,000 common shares. These options were issued at an exercise price of $0.59 per share and vest in equal installments over a quarterly basis throughout the term. These options have a term of one (1) year expiring on September 21, 2021. The Company expensed $77,375 for the vesting of these options during the year ended January 31, 2021 (Prior year: $nil).

Research and development costs for $26,300 for the year ended January 31, 2021 (prior year $73,733) are costs incurred by outside research provider for ongoing development of Artificial Intelligence powered facial and voice recognition technology to detect impairment. Certain expenses related to research (i.e. design and architecture that are not expected to provide an economic benefit) are expensed rather than recognized as an intangible asset.

Consulting fees costs for $178,004 for the year ended January 31, 2021 (prior year $135,631) consists primarily of fees paid to consultants to assist with business and investor relations.

Legal fees for $138,879 for the year ended January 31, 2021 (prior year $122,543) consists primarily of legal fees paid to assist the sale of the Company's interests in Cultivar JA and the acquisition of MobileWellbeing.

Transfer agent and filing fees for $57,908 (prior year $25,122) for the year ended January 31, 2021 consists primarily the costs of filing and compliance for the Company's CSE and OTC listing.

Marketing expenses for $221,670 for the year ended January 31, 2021 (prior year $nil) consists primarily of media marketing of the Company and its products.

No cash dividends have been paid by the Company. The Company has no present intention of paying cash dividends on its common shares as it anticipates that all available funds will be invested to finance existing activities.

Analysis of Fourth Quarter

The loss for the three months ended January 31, 2021 was $632,471 as compared to the loss of $324,653 for the three months ended January 31, 2020.

Significant variances

Noncash share-based compensation was $387,436 for the three months ended January 31, 2021 ($1,302 for the three months ended January 31, 2020), consisting of the fair value (Black- Scholes calculation) of the vesting of options to directors, officers and consultants.

Consulting fees were $38,566 for the three months ended January 31, 2021 ($49,157 for the three months ended January 31, 2020), consisting primarily of fees paid to consultants to assist with business and investor relations.

Legal fees were $22,469 for the three months ended January 31, 2021 ($108,113 for the three months ended January 31, 2020), consisting primarily of legal fees paid to assist the sale of the Company's interests in Cultivar JA and the acquisition of MobileWellbeing in the current year.

Transfer agent and filing fees were $15,369 for the three months ended January 31, 2021 ($25,122 for the three months ended January 31, 2020), consisting primarily of filing and compliance costs for the Company's CSE and OTC listing.

Marketing expenses were $63,417 for the three months ended January 31, 2021 ($nil for the three months ended January 31, 2020), consisting primarily of media marketing of the Company and its products.

The following table summarizes financial information for the three months ended January 31, 2021 and the preceding seven quarters:

	Q4 2021	**Q3 2021**	**Q2 2021**	**Q1 2021**	**Q4 2020**	**Q3 2020**	**Q2 2020**	**Q1 2020**
	$	$	$	$	$	$	$	$
Revenue	-	-	-	-	-	-	-	-
Net income (loss)	(632,471)	(493,841)	(473,268)	15,047	(324,653)	(1,681,198)	(166,197)	(138,844)
Income (Loss) per share, basic and fully diluted	(0.006)	(0.005)	(0.005)	0.0001	(0.003)	(0.017)	(0.002)	(0.002)
Cash dividends for common shares	-	-	-	-	-	-	-	-

CRITICAL ACCOUNTING ESTIMATES

Preparing financial statements in conformity with IFRS requires the Company to select from possible alternative accounting principles. Estimates also affect classification and reported amounts for various assets, liabilities, equity balances, revenues and expenses. Prior estimates are revised as new information is obtained and are subject to change in future periods. Management believes the accounting policies and estimates used in preparing the consolidated financial statements are considered appropriate in the circumstances but are subject to numerous judgments and uncertainties inherent in the financial reporting process.

The preparation of these consolidated financial statements requires management to make judgements regarding the going concern of the Company, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiary has been determined to be the Canadian dollar.

Income taxes - There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities based on the Company's current understanding of tax laws as applied to the Company's circumstances. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Stock option valuation - Issuances and grants of share options are valued using the fair value method. Management uses the Black-Scholes valuation model to estimate the fair value of options determined at grant date. Grants of options result in non-cash charges to expense and a corresponding credit to share-based payment reserves. Charges associated with granted options are recorded over the vesting period. Significant assumptions affecting valuation of options include the trading value of the Company's shares at the date of grant, the exercise price, the term allowed for exercise, a volatility factor relating to the Company's historical share price, forfeiture rates, dividend yield and the risk-free interest rate.

Useful life of property and equipment – Property and equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience and takes into consideration the anticipated physical life of the asset, potential for technological obsolescence, and regulations.

New standards adopted

Effective February 1, 2020, the Company adopted the amendments that were issued by the International Accounting Standards Board on October 22, 2018, to IFRS 3 Business Combinations, which clarified the classification of whether a transaction results in an asset or a business acquisition. The amendments include an election to use a concentration test. This is a simplified assessment that results in an asset acquisition if substantially all of the fair value of the gross assets is concentrated in a single identifiable asset or a group of similar identifiable assets. If a preparer chooses not to apply the concentration test, or the test is failed, then the assessment focuses on the existence of a substantive process. The adoption of the amendment to IFRS 3 had no impact on the Company's consolidated financial statements for the year ended January 31, 2021.

COVID-19 Estimation Uncertainty

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

Intangible assets

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is recorded on a straight-line basis over the estimated useful life of the asset acquired, which varies depending on the nature of the intangible asset. Intangible assets are amortized from the date when they are available for use.

The estimated useful life is reviewed at the end of each reporting period with the effect of any changes in estimate being accounted for on a prospective basis. Internally incurred development costs are recognized as intangible assets when the following criteria are met:

a) it is technically feasible to complete the intangible asset so that it will be available for use;
b) management intends to complete the intangible asset and use or sell it;
c) there is an ability to use or sell the intangible asset;
d) it can be demonstrated how the intangible asset will generate probable future economic benefits;
e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
f) the expenditure attributable to the intangible asset during its development can be reliably measured.

Intangible assets may relate to the Company's external development expenditures in relation to intellectual property development. Development expenditures that do not meet these criteria are recognized as an expense as incurred. Intangible assets with definite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. These intangible assets will be amortized when they are ready for use. The amortization period and the amortization method are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates on a prospective basis.

LIQUIDITY AND CAPITAL RESOURCES

At January 31, 2021, the Company had cash of $480,051 and working capital of $612,091. During the year ended January 31, 2021, the Company received $261,121 from financing activities, used $1,079,637 in operating activities and $195,010 in investing activities.

At January 31, 2020, the Company had cash and cash equivalents of $1,493,577 and working capital of $1,554,541. During the year ended January 31, 2020, the Company received $776,669 from financing activities, used $832,121 in operating activities and $9,920 in investing activities.

The Company has financed its operations from inception to date through the issuance of equity shares.

The Company as of January 31, 2021 had no revenues; as such, administrative and other expenses may exceed available cash resources and additional funding may be required to further its projects and to meet ongoing requirements for general operations. The ability of the Company to continue as a going concern is dependent on raising additional financing, development of its projects and generation of profitable operations in the future.

Subsequent to the year, on March 5, 2021, the Company announced that it has that it closed a non-brokered private placement for gross proceeds of $1,090,085. A total of 3,114,529 units were issued at a price of $0.35 each. Each unit is comprised of one common share of the Company and one warrant, with each warrant exercisable into a common share at an exercise price of $0.50 per share for a period of two years.

As such, the Company believes it has enough cash to maintain itself for the next 12 months.

The Company's objectives when managing its capital structure are to preserve the Company's access to capital markets and its ability to meet its financial obligations.

Based on available funds, the Company manages its capital structure and makes adjustments to it to maintain flexibility while achieving the objectives stated above as well as support future business opportunities.

To manage the capital structure, the Company may adjust its project plans, operating expenditure plans, or issue new common shares. The Company monitors its capital structure using annual forecasted cash flows, expenditure budgets and targets for the year as well as corporate capitalization schedules. This is achieved by the Board of Directors' review and acceptance of expenditure budgets that are achievable within existing resources and the timely matching and release of the next stage of expenditures with the resources made available from private placements or other funding.

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to externally imposed capital requirements or covenants.

OUTSTANDING SHARE DATA

At January 31, 2021, the Company had 101,717,973 common shares outstanding. As of date of the MD&A, the Company has 108,801,292 common shares outstanding.

At January 31, 2021, the Company had 9,095,000 outstanding stock options and 1,548,000 outstanding warrants.

a) Common shares

The holders of common shares are entitled to receive dividends which are declared from time to time and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

b) Share issuances

During the year ended January 31, 2021

- The Company cancelled 4,000,000 common shares pursuant to the sale of its interest in Cultivar JA
- 1,355,000 shares were issued upon exercise of 1,355,000 options at a price of $0.15 per share and 100,000 shares were issued upon exercise of 100,000 options at a price of $0.10 per share for total gross proceeds of $213,250. An amount of $108,435 was reclassed from share-based payment reserve to share capital.
- 100,000 shares were issued upon exercise of 100,000 warrants at a price of $0.50 per share for gross proceeds of $50,000. An amount of $7,481 was reclassed from warrant reserve to share capital.
- 50,000 shares were issued pursuant to the acquisition of MobileWellbeing ("MWB"), an innovative, feature rich, Telemedicine Remote Patient Monitoring platform.
- 58,824 shares were issued at a price of $0.34 for a total consideration of $20,000. $8,333 was expensed to consulting services during the year ended January 31, 2021, while the remaining $11,667 is included in prepaid expenses as at January 31, 2021.

During the year ended January 31, 2020:

- The Company issued 800,000 common shares at $0.10 for services. This includes 550,000 common shares issued to a director valued at $55,000.
- On August 12, 2019, the Company closed a private placement of 3,296,000 units at $0.25 per unit for a consideration of $824,000. Each unit is comprised of one common share and one-half of one common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant exercisable into a common share of the Company at an exercise price of $0.50 per share for a period of 24 months. The Black-Scholes option pricing model was used to determine the fair value of the warrants using the following weight average assumptions: Expected dividend yield of 0%; risk free interest rate of 1%; expected volatility of 100%; expected life of 2 years. The relative fair value of the warrants has been valued at $123,283 and common shares at $700,717 ($0.21). In connection with this private placement, the Company issued 66,400 shares as finders' fee, and incurred an additional $95,445 in share issuance costs.
- The Company issued 6,514,249 shares in connection with the acquisition.
- On January 10, 2020, the Company issued 100,000 shares for financial media marketing and investor services for a total consideration of $25,000, to be provided over the period commencing October 28, 2019 and ending on November 1, 2020 (the "Term")

As at January 31, 2021, the Company had the following warrants outstanding:

Outstanding	Exercise Price	Remaining Life (Years)	Expiry Date
1,548,000	$0.50	0.53	August 11, 2021

(c) Stock Options

The Company has established a stock option plan whereby officers, directors, employees and service providers may be granted options to purchase common shares at a fixed price. Vesting and expiry provisions are determined at the date of grant. The plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital. The plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases.

a) In October 2018, the Company granted options to a consultant to acquire a total of 250,000 common shares. These options were issued at an exercise price of $0.10 per share and vested 75,000 immediately, 37,500 at the date of engineering milestone (vested during the quarter ended July 31, 2019) and balance 137,500 on completion of additional milestones, including 75,000 on model development (vested during the quarter ended October 31, 2019) and 62,500 on project handover with an expiry term of two years. These options expired unexercised in October 2020. The fair value of each option used for the purpose of estimating the stock-based compensation was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate		2.26%
Expected dividends		0%
Expected forfeiture rate		0%
Expected volatility		100%
Expected life		2 years
Unvested stock-based compensation expense as of January 31, 2021	$	-

During the year ended January 31, 2021, the Company expensed $3,311 (2020 - $5,961), resulting in unvested stock-based compensation expense of $nil as of January 31, 2021.

b) In November 2018, the Company granted options to a consultant to acquire a total of 100,000 common shares. These options were issued at an exercise price of $0.10 per share and vested 25,000 immediately, and 25,000 each on April 1, 2019, September 1, 2019 and March 1, 2020 with an expiry term of three years. The fair value of each option used for the purpose of estimating the stock-based compensation is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate		2.30%
Expected dividends		0%
Expected forfeiture rate		0%
Expected volatility		100%
Expected life		3 years
Unvested stock-based compensation expense as of January 31, 2021	$	-

During the year ended January 31, 2021, the Company expensed $260 (2020 - $4,426), resulting in unvested stock-based compensation expense of $nil as of January 31, 2021.

c) On April 6, 2020, the Company granted options to its directors, officers and consultants to purchase up to 9,850,000 common shares. These options were issued at an exercise price of $0.15 per share and have varying vesting periods, with the majority being in equal installments over a quarterly basis throughout the term. These options have a term of one (1) year expiring on April 6, 2021. The fair value of each option used for the purpose of estimating the stock-based compensation is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate	0.47%
Expected dividends	0%
Expected forfeiture rate	0%
Expected volatility	135%

Expected life		1 year
Unvested stock-based compensation expense as of January 31, 2021	$	-

During the year ended January 31, 2021, the Company expensed $742,833 relating to the vesting of options, resulting in unvested stock-based compensation expense of $nil as of January 31, 2021.

d) On July 17, 2020, the Company granted options to a consultant to purchase up to 80,000 common shares. These options were issued at an exercise price of $1.02 per share and vest one year after date of grant. These options have a term of five (5) years expiring on July 17, 2025. The fair value of each option used for the purpose of estimating the stock-based compensation is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate		0.35%
Expected dividends		0%
Expected forfeiture rate		0%
Expected volatility		207%
Expected life		5 years
Unvested stock-based compensation expense as of January 31, 2021	$	34,246

During the year ended January 31, 2021, the Company expensed $40,603 relating to the vesting of options, resulting in unvested stock- based compensation expense of $34,246 as of January 31, 2021.

e) On September 10, 2020, the Company granted options to a consultant to purchase up to 70,000 common shares. These options were issued at an exercise price of $0.54 per share and vest on completion of milestones, including 40,000 upon approval of a McGill University study and 30,000 upon completion of the study. The Company did not record any stock-based compensation on these options, as they have not yet vested as at January 31, 2021.

f) On September 17, 2020, the Company granted options to a consultant to purchase up to 200,000 common shares. These options were issued at an exercise price of $0.54 per share and vest on date of grant. These options expire on March 30, 2022. The fair value of each option used for the purpose of estimating the stock-based compensation is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate		0.26%
Expected dividends		0%
Expected forfeiture rate		0%
Expected volatility		189%
Expected life		1.5 years
Unvested stock-based compensation expense as of January 31, 2021	$	-

During the year ended January 31, 2021, the Company expensed $81,979, relating to the vesting of options, resulting in unvested stock- based compensation expense of $nil as of January 31, 2021.

g) On September 21, 2020, the Company granted options to a consultant to purchase up to 250,000 common shares. These options were issued at an exercise price of $0.59 per share and vest in equal installments over a quarterly basis throughout the term. These options have a term of one (1) year expiring on September 21, 2021. The fair value of each option used for the purpose of estimating the stock-based compensation is estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free rate		0.23%
Expected dividends		0%
Expected forfeiture rate		0%
Expected volatility		188%
Expected life		1 year
Unvested stock-based compensation expense as of January 31, 2021	$	18,958

During the year ended January 31, 2021, the Company expensed $77,375 relating to the vesting of options, resulting in unvested stock- based compensation expense of $18,958 as of January 31, 2021.

As of January 31, 2021, there was $53,204 (January 31, 2020: $3,571) of unvested stock-based compensation expense.

Continuity of the Company's options is as follows:

	Number of Options	**Weighted Average Exercise Price**
Outstanding, January 31, 2019 and 2020	350,000	$0.10
Granted	10,450,000	$0.18
Expired	(250,000)	$0.10
Exercised	(1,455,000)	$0.15
Outstanding, January 31, 2021	9,095,000	$0.18

As at January 31, 2021, the Company had the following share purchase options outstanding and exercisable:

Outstanding	**Exercisable**	**Exercise Price**	**Remaining Life (Years)**	**Expiry Date**
8,495,000	8,495,000	$0.15	0.18	April 6, 2021
80,000	-	$1.02	4.46	July 17, 2025
70,000	-	$0.54	1.10	March 10, 2022
200,000	200,000	$0.54	1.16	March 30, 2022
250,000	125,000	$0.59	0.64	September 21, 2021
9,095,000	8,820,000	$0.18	0.26	

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The fair value of the Company's accounts payable, and loans and advances approximate carrying value, due to their short-term nature. The Company's cash is measured at fair value under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities.

Financial risk management and objectives

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including interest rate risk, foreign currency risk, and commodity price risk).

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flows primarily from its financing activities.

The Company manages its liquidity needs by carefully monitoring scheduled costs. Liquidity is measured in various time bands, on day to day and week-to-week basis, as well as on long term liquidity needs over 180 day to 360 day look out periods. Funding for long term liquidity needs is based on the ability of the Company to successfully complete private placements.

As at January 31, 2021, the Company had sufficient cash of $480,051 to settle current liabilities of $135,354.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices, and foreign exchange rates.

(a) 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 is not exposed to significant interest rate risk.

(b) Price risk

The Company is not exposed to significant price risk as it does not possess investments in publicly traded securities.

(c) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument denominated in a foreign currency will fluctuate because of changes in foreign exchange rates. Effective sale of the Company's interest in Cultivar JA in March 2020, the Company has no exposure to any currency except Canadian dollars.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

TRANSACTIONS WITH RELATED PARTIES

Related parties include key management personnel, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Key management of the Company are members of the Board of Directors, the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the Chief Operating Officer ("COO").

Transactions with key management personnel not disclosed elsewhere in the financial statements include the following:

		Year ended January 31, 2021		**Year ended January 31, 2020**
Management fees to the CEO	$	99,500	$	96,000
Management fees to a prior director		6,000		54,000
Management fees (issued in shares) to a director		-		55,000
Management fees to the COO		68,000		20,000
Management fees to the CFO		43,550		38,066
Total Management fees	$	217,050	$	263,066
Vehicle expense to the CEO		12,000		6,000
Vehicle expenses to the COO		10,500		-
Rent to the CEO included in rent expense		21,500		18,000
	$	261,050	$	287,066

On April 6, 2020, the Company granted options to its directors, officers and consultants to purchase up to 9,850,000 common shares. The Company expensed $286,575 on the vesting of options to directors and officers during the year ended January 31, 2021 (January 31, 2020: $nil)

During the year ended January 31, 2021, the Company paid $61,329 (2020: $nil) being marketing expenses to companies controlled by the children of the CEO.

As of January 31, 2021, there was $nil due to or from related parties (January 31, 2020 - $nil).

BOARD PURPOSE AND FUNCTION

The directors and management of the parent company have experience operating in Canada and the United States and taking projects through to various stages of development. The Board's purpose is to ensure corporate governance, risk, strategy and shareholder interests are priorities at all times.

COMMITMENTS AND CONTINGENCIES

Effective July 1, 2020, the Company signed a two-year contract with a corporation owned and controlled by the CEO to pay monthly compensation of $8,500 for CEO services. In addition, the Company is obligated to pay monthly rent for $2,000 and an additional $1,500 for the use of a personal vehicle.

Effective July 1, 2020, the Company signed a two-year contract with a corporation owned and controlled by the COO to pay monthly compensation of $7,000 for COO services. In addition, the Company is obligated to pay an additional $1,500 for the use of a personal vehicle.

CONTROL AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer are responsible for designing internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company’s financial statements for external purposes in accordance with IFRS.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could burden the Company’s financial resources, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and workload will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial accounting and reporting.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Current and potential investors should give special consideration to the risk factors involved, should the Company continue in the cannabis business.

Management

Dependence on Key Personnel, Contractors and Service Providers, shareholders of our Company rely on the good faith, experience and judgment of the Company’s management and advisors in supervising and providing for the effective management of the business and the operations of the Company and in selecting and developing new investment and expansion opportunities. The Company may need to recruit additional qualified contractors and service providers to supplement existing management. The Company will be dependent on a relatively small number of key persons, the loss of any one of whom could have an adverse effect on the Company.

Value of Our Common Shares

The value of the Company’s common shares could be subject to significant fluctuations in response to variations in and annual operating results, the success of the Company's business strategy, competition or other applicable regulations which may affect the business of the Company and other factors.

Impact of Covid-19

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specially identified as "COVID-19" has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation and its operating subsidiaries in future periods.

Additional Funding and Financing Risk

Additional funds will be required for future development. The source of future funds available to the Company is through the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to the Company. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position. In addition, any future equity financings by the Company may result in substantial dilution for existing shareholders.

Uninsured Hazards

The Company currently carries no insurance coverage. The potential costs that could be associated with any liabilities not covered by insurance or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the Company's financial position.

Conflicts of Interest

Certain Directors and Officers of the Company also serve as Directors and officers of other companies involved in development and production. Consequently, there exists the possibility that such Directors or Officers may be in a position of conflict of interest. Any decision made by such Directors or Officers involving the Company are made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such Directors will declare and refrain from voting on, any matter in which such Directors may have a material conflict of interest.

General Venture Company Risks

The common shares must be considered highly speculative due to the nature of the Company's business, the early stage of its deployment, its current financial position and ongoing requirements for capital. An investment in the common shares should only be considered by those persons who can afford a total loss of investment and is not suited to those investors who may need to dispose of their investment in a timely fashion. Investors should consult with their own professional advisors to assess the legal, financial and other aspects of an investment in common shares.

Uncertainty of Revenue Growth

There can be no assurance that the Company can generate substantial revenue growth, or that any revenue growth that is achieved can be sustained. Revenue growth that the Company has achieved or may achieve may not be indicative of future operating results. In addition, the Company may increase further its operating expenses in order to fund increase its sales and marketing efforts and increase its administrative resources in anticipation of future growth. To the extent that increases in such expenses precede or are not subsequently followed by increased revenues, the Company's business, operating results and financial condition will be materially adversely affected.

Marketing and Distribution Capabilities

In order to commercialize its technology, the Company must either acquire or develop an internal marketing and sales force with technical expertise and with supporting distribution capabilities or arrange for third parties to perform these services. In order to market certain of its products, the Company must either acquire or develop a sales and distribution infrastructure. In order to maximize sales of other products, the Company may determine that it needs to either acquire or develop a sales and distribution infrastructure. The acquisition or development of a sales and distribution infrastructure would require substantial resources, which may divert the attention of its management and key personnel and defer its product development and deployment efforts. To the extent that the Company enters into marketing and sales arrangements with other companies, its revenues will depend on the efforts of others. These efforts may not be successful. If the Company fails to develop substantial sales, marketing and distribution channels, or to enter into arrangements with third parties for those purposes, it will experience delays in product sales and incur increased costs.

Rapid Technological Development

The markets for the Company's products and services are characterized by rapidly changing technology and evolving industry standards, which could result in product obsolescence or short product life cycles. Accordingly, the Company's success is dependent upon its ability to anticipate technological changes in the industries it serves and to successfully identify, obtain, develop and market new products that satisfy evolving industry requirements. There can be no assurance that the Company will successfully develop new products or enhance and improve its existing products or that any new products and enhanced and improved existing products will achieve market acceptance. Further, there can be no assurance that competitors will not market products that have perceived advantages over the Company's products or which render the products currently sold by the Company obsolete or less marketable. Regardless of the Industry as a whole, the less lethal sector moves somewhat slower in the adaptation and integration of new products.

The Company must commit significant resources to developing new products before knowing whether its investments will result in products the market will accept. To remain competitive, the Company may be required to invest significantly greater resources then currently anticipated in research and development and product enhancement efforts and result in increased operating expenses.

Competition

The Company's industry is competitive and composed of many foreign companies. The Company expects to experience competition from competitors whom it expects to continue to improve their products and technologies. Competitors may announce and introduce new products, services or enhancements that better meet the needs of end-users or changing industry standards, or achieve greater market acceptance due to pricing, sales channels or other factors. Competitors may be able to respond more quickly than the Company to changes in end-user requirements and devote greater resources to the enhancement, promotion and sale of their products.

Intellectual Property

The Company's ability to compete effectively will depend, in part, on its ability to maintain the proprietary nature of its technology and manufacturing processes. Although the Company considers certain of its product designs as well as manufacturing processes involving certain of its products to be proprietary, patents or copyrights do not protect all design and manufacturing processes. The Company has adopted procedures to protect its intellectual property and maintain secrecy of its confidential business information and trade secrets. However, there can be no assurance that such procedures will afford complete protection of such intellectual property, confidential business information and trade secrets. There can be no assurance that the Company's competitors will not independently develop technologies that are substantially equivalent or superior to the Company's technology.

To protect the Company's intellectual property, it may become involved in litigation, which could result in substantial expenses, divert the attention of its management, cause significant delays and materially disrupt the conduct of its business.

STRATEGY AND OUTLOOK

Our objective is to maximize the value of the Company for our shareholders and our strategy to obtain this result is to continually seek opportunities to participate in new ventures primarily in AI.

SEGMENT INFORMATION

The Company, through its subsidiaries, is in the business of investment in technology to detect if an individual is under the influence of cannabis and to predict substance addiction. There are no revenues during the year. All assets are located in Canada.