

PREDICTMEDIX AI INC. (formerly Predictmedix Inc.)

MANAGEMENT DISCUSSION AND
ANALYSIS

For the three and nine months ended October 31, 2023 and 2022

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(Information as at December 27, 2023 unless otherwise noted)

Introduction

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Predictmedix AI Inc. (the "Company") unaudited condensed consolidated financial statements for the three and nine months ended October 31, 2023. 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, 2023 and the interim condensed financial statements for the three and nine months ended October 31, 2023. The effective date of this report is December 27, 2023. 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 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; uncertainty related to the completion of the amalgamation.

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 October 31, 2023 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

History

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").

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

On April 9, 2020, the Company 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 July 13, 2023, the Company completed its name change from " Predictmedix Inc." to "Predictmedix AI Inc." (the "Name Change"). The CUSIP number assigned to the Company's common shares following the name change is CUSIP 74040N106 (ISIN:CA74040N1069). The symbol remains the same.

On September 5, 2023, the Company incorporated a subsidiary in India as Predictmedix India Private Limited.

The Company's business is focused on developing artificial intelligence ("AI") powered technologies for general workplace health and safety, and for the health care industry. The Company's business is focussed on artificial intelligence ("AI") technologies which are targeting two specific areas: 1) workplace health and safety and 2) healthcare.

The Company's corporate head office is located at 77 King Street W, Suite 3000, Toronto, Ontario, Canada, M5K 1G8.

The Company’s Business and Products

The Company’s business is focused on developing artificial intelligence (“AI”) powered technologies for general workplace health and safety, and for the health care industry. In particular, the Company has developed A technology for the identification and detection of infectious disease symptoms (including COVID-19), sometimes referred to in this Registration Statement as our Infectious Disease Symptom Screening Solutions (“IDSS”) and marketed in North America under the name “Safe Entry System.” In addition, the Company is developing AI powered products that address (1) detection of alcohol and/or cannabis impairment in individuals; (2) mental illness screening; and (3) remote patient monitoring and treatment plans, sometimes referred to herein as the Mobile Wellbeing product. The following is a description of our primary product, the IDSS, and the products under development.

<p>Infectious Disease Symptom Screening Solutions (“IDSS”)</p>	<p>Our primary product is being marketed and sold currently. All Canadian Display Company Ltd, an Ontario corporation doing business as “Juiceworks Exhibits” (“Juiceworks”) is the constructor and selling agent for the Company’s Safe Entry Systems in North America. An initial license fee is received by the Company from customers when a Safe Entry System is sold or leased by Juiceworks. The Company then will receive a recurring monthly licensing fee from customers. A formal agreement with Juiceworks covering exclusive fabrication rights and non-exclusive selling rights is under discussion but has not been completed as of the date of this statement. Outside of North America, the Company intends to market and sell the Safe Entry System directly, however, the Company may enter into arrangements with third parties similar to the arrangement with Juiceworks to cover other territories.</p> <p>As a screening system, our IDSS does not render conclusive diagnoses, nor can it identify asymptomatic cases. Rather, it can (and should) be used to identify persons who are more likely to test positive for certain infectious diseases and refer such persons to undergo a more definitive test, such as a rapid COVID test. Our IDSS marketing targets potential customers who may have to rapidly screen large numbers of people where it is not practical to diagnostically test all of them. Such a situation arises in many public events. In a place where large numbers of people are to be admitted to a common area, the IDSS could be used to identify individuals who are more likely to test positive and yield a smaller pool of individuals who could then undergo a rapid diagnostic test prior to admission. Our IDSS screening stations will be networked and will collect data on an entirely anonymous basis that will enhance the performance of our IDSS screening stations everywhere. Our AI technology incorporates machine learning techniques that enables the system to improve accuracy as additional data is available.</p>
<p>Remote patient monitoring and treatment plans application,</p>	<p>This product was substantially developed by Mobile Wellbeing, a company that we acquired in July of 2020. The</p>

<p>sometimes referred to herein as the Mobile Wellbeing product (the “Mobile Wellbeing App”)</p>	<p>product is a telemedicine remote patient monitoring platform. We are currently adding additional modules to this platform that will enable us to use a patient’s history and real time medical data, such as blood pressure or blood glucose level, to provide patients and their medical professionals with treatment plans for chronic disease management and in some cases lifesaving advance notice of when a patient should go to a hospital. This product will be marketed or sold by the Company once the modules are added to the platform.</p>
<p>Products Under Development</p>	
<p>Impairment Detection Screening</p>	<p>Our Impairment Detection Screening scanner is under development and is not being marketed or sold currently. The product incorporates the Company’s proprietary AI technology and is being developed to detect cannabis and/or alcohol drug impairment in individuals. The product will be developed as a screening station that is capable of making a recommendation as to whether individuals passing through the screening station should undergo additional definitive testing.</p>
<p>Mental Health Screening</p>	<p>Our Mental Health Screening station is under development and is not being marketed or sold currently. The product will incorporate the Company’s proprietary AI technology to detect behavioral and physiological indicators of mental illness such as depression, autism, ADHD and dementia. As a step in the screening process, persons would be asked to read a script while undergoing the scan that detects vocal qualities, vocal cadence and physiological factors such as blood flow in the face. The intended use for this product will be to screen for indicators of mental disorders and make recommendations as to whether individuals passing through the screening station should undergo additional evaluation. In this way, the system could be used as a triage tool at mental health centers, police stations or any setting where a preliminary mental health assessment is required, and mental health professionals are not readily available to perform an assessment or are over-taxed by an inflow of possible cases. This technology represents an ambitious application of the Company’s AI technology and is in a developmental stage. A prototype is not expected prior to the second half of 2022 and may not be ready for public demonstration prior to 2023.</p>

Operations

We will license our software to two distinct markets; law enforcement agencies and a variety of industries that are concerned about infectious disease and impairment in the workplace such as manufacturing, mining, and aviation, as well as any public venues where large numbers of people gather.

The Company's 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 and deployment in North America, the Company is exploring business development opportunities across the world.

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. The Company plans to integrate MobileWellbeing with its Artificial Intelligence driven rapid screening system for infectious diseases, including COVID-19, and its screening modules for impairment and mental illness. Notably, we expect to turn our screening solutions into enterprise solutions with back-end patient or employee return-to-work monitoring. Additionally, we expect that this acquisition will allow Predictmedix to enter the growing markets of telehealth and clinical trials. Furthermore, MobileWellbeing can be used 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.

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. 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.

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.

Patent Protection

The following patent applications have been submitted to the United States Patent and Trademark Office by individuals affiliated with the Company. The individuals making the application have assigned all of their respective rights in the patent applications and in any patent(s) that may be issued.

<p>Patent Application No. 16/892,369 Published on December 10, 2020</p>	<p>In June of 2020, principals of the Company filed Patent Application No. 16/892,369 which is related to a provisional patent application filed by sch individuals on June 7, 2019 (Provisional application No. 62/858,422). These applications cover the Company’s proprietary system and method for detecting the impairment of an individual. The method involves operating a processor to receive at least one image associated with the individual an identify at least one feature in each image. The method further involves operating the processor to, for each feature: generate an intensity representation for that feature, apply at least one impairment analytical model to the intensity representation to determine a respective impairment likelihood and determine a confidence level for each impairment likelihood based on characteristics associated with at least the applied impairment analytical model and that feature. The method further involves operating the processor to define the impairment of the individual based on at least one impairment likelihood and the respective confidence level.</p>
<p>Patent Application No. 63012510</p>	<p>Artificial intelligence driven rapid testing system for infectious diseases.</p>
<p>Patent Application No. 63048131</p>	<p>System and Method to automatically recommend and adapt a treatment regime for patients.</p>
<p>Patent Application No. 63048152</p>	<p>System and Method to manage a regards program for patient treatment protocols</p>
<p>Patent Application No. 63058567</p>	<p>Utilizing healthcare providers network effect to increase compliance for better health outcomes.</p>
<p>Patent Application No. 63072392</p>	<p>System and Method to provide product recommendation and sponsored content to patients managed by computerized workflows for treatment protocols.</p>

In July and August of 2021, an affiliate of the Company applied for the following patents related to the Mobile Wellbeing product.

Patent Application No. 17384686	System and method to automatically recommend and adapt a treatment regime for patients; Submitted July 23, 2021 by Rajiv Muradia
Patent Application No. 17384773	System and method to manage a rewards program for patient treatment protocols; Submitted July 23, 2021 by Rajiv Muradia
Patent Application No. 17385889	Utilizing healthcare providers network effect to increase compliance for better health outcomes; Submitted July 26, 2021 by Rajiv Muradia
Provisional application that was converted to a non-provisional application:	
Patent Application No. 63072392	System and method to provide product recommendation and sponsored content to patients managed by computerized workflows for treatment protocols; Submitted August 15, 2021 by Rajiv Muradia

Private Placement Financing

In order to proceed forward with business development and technology commercialization, on March 5, 2021, Predictmedix announced that it has closed a non-brokered private placement for gross proceeds of \$1,090,085 in a strategic financing round to catalyze the Company's operations as it scales its business. A total of 3,114,569 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. The funds were to be used to focus on three specific areas:

- 1) Marketing and Advertising: proceeds from the financing will be used to aggressively scale up our marketing operations and advertising for business development.
- 2) Human Capital and Hiring: the company will be hiring additional engineers to assemble and deploy its product suite across the globe as it keeps up with ongoing purchase orders and increased demand.
- 3) Research and Development: proceeds from the financing will be deployed in improving the efficiency of our proprietary algorithms and commercializing additional software and product features to improve infectious disease screening.

Gaining exposure in the US financial markets

As part of building long term shareholder value, the Company focused its efforts on further establishing itself on the US markets with an eventual goal of becoming a listed company on an exchange. As the first step, on March 29, 2021, the Company announced engaged with Kingswood Capital Markets, a prominent

investment bank based out of New York City. Subsequently, the institution has changed its name to EF Hutton.

As the next step towards gaining traction in the US market, in June, 2021 the Company filed a registration statement on Form 20-F to register its common shares with the United States Securities and Exchange Commission (the “SEC”). The Company is currently a reporting issuer under the United States Securities Exchange Act of 1934.

Collaborations

On April 5, 2021, Predictmedix announced an agreement to deploy Safe Entry Stations in conjunction with North American industry leaders All Canadian Display Company Ltd, an Ontario corporation doing business as “Juiceworks Exhibits” (“Juiceworks”)) and Connectus Global. Connectus Global is a leading Alberta-based solutions provider for process automation, worker safety and location monitoring applications across industrial and business sectors. With an integrated suite of digital workforce management and business continuity systems, the Company’s internationally deployed solutions work to improve industrial safety, operational efficiency, and crisis recovery planning.

On June 11, 2021, the company announced expansion of their Safe Entry program with the institution of their first distributor, SBL Testing Technologies Inc (SBL) in partnership with JUICEWORKS.

On August 30, 2021, Predictmedix Announced their strategic partnership with major Indian defense contractor for Southern Asia region, Paras TechCare, a Division of Paras Defence. Paras Defense will manufacture and resell Safe Entry Stations into Indian private and public sectors on behalf of Predictmedix.

On October 5, 2021, Predictmedix announced that it has secured a new strategic partnership with Entertainment Bay India LLP, one of the largest event production companies in India, for the deployment of Safe Entry Stations at its client events. Entertainment Bay is a leading event production company in India, leveraging 10+ years of experience providing a full range of event management services for companies, organizations and individuals at stadiums, theaters, music venues, hotels and conference event centers.

Company Developments

On April 14, 2021, the company announced a 24 month, multi-unit agreement to deploy Safe Entry Stations throughout the North American operations of Flow Water Inc. (“Flow Alkaline Spring Water” or “Flow”). The contract was executed by Juiceworks Exhibits. The contract marked the successful completion of our initial pilot, as the technology is now scaled and deployed across all of Flow’s operations both in Canada and the United States.

On April 19, 2021, the Company announced deployment of Safe Entry Stations at 4 key office towers in downtown Calgary and Edmonton in partnership with Apsen Properties and Juiceworks. Calgary’s The Edison, Palliser Complex, The Ampersand and Edmonton’s Bell Tower are raising the bar by providing a completely voluntary infectious disease symptom screening option for their tenants.

On May 6, 2021, the Company announced deployment of Safe Entry Stations at the Aster Garden Optima Living Community in partnership with Optima Living, Connectus Global, and Juiceworks Exhibits.

On May 17, 2021, the Company announced that Safe Entry Station units will be deployed at the North American tour of Hockeyfest in partnership with Juiceworks Exhibits and Jones Entertainment Group. The deployments will begin with the first Hockeyfest event, kicking off on June 25, in London, Ontario.

Hockeyfest is the world's largest street and pond hockey festival with tournaments scheduled in 9 cities all over North America.

On June 3, 2021, the Company announced the deployment of Safe Entry Stations at the Lavazza Drive In Film Festival to be held in Ontario from June 27 to July 17. Inaugurated as a grassroots non-profit film festival in 2012, Italian Contemporary Film Festival (ICFF) has grown to become one of the largest Italian film festivals outside of Italy. Safe Entry Stations will be deployed to screen staff at the Lavazza Drive-In Film Festival organized by ICFF and CHIN between June 27 and July 17, 2021. It will then be used to rapidly screen patrons and staff prior to access to open-air screenings, set to begin mid-July.

On August 16, 2021, the Company engaged international investor relations specialists MZ Group to lead a comprehensive strategic investor relations and financial communications program across all key markets. MZ Group continues to work closely with Predictmedix management to develop and implement a comprehensive capital markets strategy designed to increase the Company's visibility throughout the investment community. MZ has developed a distinguished reputation as a premier resource for institutional investors, brokers, analysts and private investors. The firm maintains offices worldwide.

On August 26, 2021, the Company deployed several Safe Entry Stations at the Palm Tree Music Festival in Westhampton Beach, New York. The single-day event was an intimate festival experience designed to capture the unmatched feeling of summer in paradise with majestic beach vibes and unmissable sets by a lineup of global icons. The Palm Tree Crew partnered with Predictmedix and Northwell Health, New York's largest Health Care provider, to design a safety protocol for attendees.

On October 25, 2021, the Company announced a revenue-generating deployment of 15 Safe Entry Stations at the Formula 1 Aramco United States Grand Prix, which was held October 22-24, 2021 at the Circuit of The Americas ("COTA") in Austin, Texas, as part of the Company's reseller partnership with the Canadian-based JUICEWORKS EXHIBITS and CONNECTUS Global. At the event, four members of the catering staff scanned "red" when walking through the Safe Entry Station and were administered a rapid antigen test right after which tested positive. Those staff were sent home for recovery.

On November 2, 2021, the Company announced that it has been granted Conformité Européenne ("CE") Mark status and ISO13485 certification for its Safe Entry Station, enabling Predictmedix to commercialize in the European Union and key global markets. The CE mark declares the conformity of the Safe Entry Station with EU regulations and indicates that a product has been assessed by the manufacturer and deemed to meet EU safety, health and environmental protection requirements. ISO 13485 is the medical device industry's most widely used international standard for quality management. All Safe Entry Stations manufactured by the Company's reseller, Paras Defence & Space Technologies Ltd. ("Paras"), will now have the CE mark and ISO certification.

On December 16, 2021, the Company announced the inaugural health and wellness placement of the Safe Entry Station technology at [Ste. Anne's Spa](#), a popular health and wellness retreat in Ontario. This marks the Company's foray into the hospitality space, as we believe the public demand for safe vacations and relaxation experiences is high.

On January 12, 2022, the Company announced the accuracy rates for its technology to identify cannabis and alcohol impairment. In a supervised environment with 128 participants, the Company's proprietary AI technology demonstrated a 79-87% efficacy in identification of cannabis impairment and 76-92% efficacy in identification of alcohol impairment (depending on the amount of cannabis or alcohol consumed by the subject). Furthermore, the company also announced a North American clinical study for its cannabis and alcohol impairment screening technology. Building on the datasets and insights from previous research and

studies, the company announced commencement of an additional clinical study in February 2022 with researchers and doctors at a North American hospital. If the study shows similar results, the hospital study will provide a third-party independent validation of the Company's impairment detection solution ahead of commercial launch. The data collected can be used by the Company to further fine-tune the AI algorithms. The results of the independently validated study will be published in a peer-reviewed medical journal. The Company has engaged an accredited consulting firm to assist the Company in seeking classification of the technology as a class II medical device in the US.

On January 26, 2022, the Company announced another North American clinical study for its infectious disease screening technology. Predictmedix is providing one (1) Safe Entry Station to be used to screen staff to provide protection, and two (2) units to screen incoming patients along with collecting symptom data from COVID-19 positive patients, whom will be validated by PCR tests. The hospital study will provide a third-party independent validation of the Company's Infectious Diseases Detection Solution ahead of a commercial launch, fulfilling a prerequisite for certification with the U.S. Food and Drug Administration (FDA). The results of the study will be published in a peer-reviewed medical journal. Predictmedix has engaged an accredited consulting firm to assist the Company in seeking classification of the technology as a Class II Medical Device in the United States. Class II devices are FDA approved for the market through the Premarket Notification, or 510(k) process. The 510(k) process entails a complex application to the FDA, which demonstrates that a device is safe and effective by demonstrating that the device is equivalent to another device which is on the market. While individual aspects and features of the Safe Entry Station are comparable to FDA class II devices, it is important to note that the Safe Entry Station differs from other medical devices as it is assimilating multiple features and combining it with the artificial intelligence driven decision making, which has wide ranging applications in healthcare.

The clinical studies are critical for the company to move forward with full scale commercialization of its technology. Although, the company has successfully deployed its technology at tier 1 events across the globe and has received validation from the client, the third-party clinical validation will serve as the launching pad for global rollout and expansion of the technology.

On April 5, 2022, the company announced conclusion of an initial deployment of a Safe Entry Station at a major Las Vegas entertainment event through its partnership with Uptown Sports Marketing. The event venue served as a unique opportunity to demonstrate the Company's proprietary AI-enabled screening solution to area representatives from some of the largest Las Vegas and Global entertainment and hospitality sector companies, which visited the Safe Entry Station throughout the week to see it in action.

Predictmedix and Uptown Sports Marketing partnered with the Las Vegas event organizer to design a safety protocol for event attendees to efficiently screen key operating staff and performers for signs of infectious diseases as they entered the event for work. This was then evaluated by Las Vegas hospitality sector representatives as staff and performers walked through the Safe Entry Station to rapidly identify multiple symptoms of infectious diseases such as COVID-19, displaying the result in the form of a red or green light.

As part of our efforts to broaden the shareholder base, on May 24, 2022, the company announced that the management will present at the 12th Annual LD Micro Invitational on Tuesday, June 7th, 2022, at the Four Seasons in Westlake Village, California and subsequently on June 7th, the company management presented at the invitation only conference where the company's pitch was received quite well.

In parallel, the company carried on with its efforts towards tech commercialization and on June 15th, the company announced that it has secured a revenue-generating deployment at the DeBeers Forevermark Forum 2022 from June 29 – July 1, 2022. The Safe Entry Stations will be utilized to screen both guests and staff for signs and symptoms of infectious diseases such as COVID-19. This repeat commercial placement

was secured through the Company's South Asia partner, Entertainment Bay, who focuses on serving the live event market and seeks high visibility event placements for the Safe Entry Station. Furthermore, on June 29th, the company announced that it has received a non-binding Letter of Intent (LOI) from KaTron Defence Space and Simulation Technologies, a leading Turkish provider of simulation products and services for aviation and aerospace, for the deployment of eighty (80) Safe Entry Stations for their corporate headquarters in Ankara, Turkey along with international clients.

The LOI, reflecting subscription fees of at least USD\$1.4 million per year (CAD\$1.85 million at the current exchange rate), is pending receipt of publication of results from a clinical study in a peer reviewed publication before transitioning to a formal purchase order, the announcement of which is expected in the third quarter of 2022. The LOI covers the deployment of 80 Predictmedix Safe Entry Stations, which are used to power "Fit for Work" screening – a non-invasive, autonomous, non-biased, and cost-efficient workplace screening solution for countless industries around the globe. Fit for Work screening ensures workers are in an alert mental and physical state by screening for impairment from Cannabis and alcohol, extreme fatigue, and symptoms of infectious diseases, such as COVID-19.

At the same time, the company further refined their AI algorithms and on July 25th announced its accuracy rates for identifying Respiration Rate, Heart Rate, and Core Body Temperature as part of its Fit for Work screening solutions for industries across the Globe.

Building upon previously collected data from clinical sites and real-world deployments, Predictmedix validated its technology on 270 participants which included two clinical sites. Participants walked through Safe Entry and their vitals were identified using the AI algorithms of Safe Entry in conjunction with edge computing. Simultaneously, the same vitals were also collected using standard medical devices with which the data from Safe Entry could be compared and correlated with.

The results of the accuracy rates are as follows:

Identification of Respiration Rate: 98.38%

Identification of Core Body Temperature: 98.37%

Identification of Heart Rate: 85%

Following the exceptional accuracy rates, the Company has initiated the next phase of Third-Party Validation by creating manuscripts which will be sent for peer review to academic journals for publication. Additionally, the Company has made significant developments to their novel IP for the filing of the Company's patents.

On August 22, 2022, the Company announced that it closed the first tranche of a non-brokered private placement (the "First Tranche"). Pursuant to the First Tranche, the Company issued 8,300,000 units (the "Units") at a price of \$0.05 per unit to investors for gross proceeds of \$415,000. Each Unit consists of one common share of the Company and one-half of one (1/2) common share purchase warrant (each whole warrant, a "Warrant"), whereby each Warrant entitles the holder to purchase one additional common share for a period of two years from closing at an exercise price of \$0.10 per share. Net proceeds from the First Tranche will be used for general operations (working capital) including business development and technology upgrades. All securities issued in connection with the First Tranche are subject to a statutory hold period expiring four months and one day from the date of issuance of the securities.

On November 7, 2022, the company announced that it has closed the final tranche of its non-brokered private placement. Pursuant to the final tranche, the Company has issued 1,600,000 units (the "Units") at a price of \$0.05 per unit to investors for gross proceeds of \$80,000. Each Unit consists of one common share

of the Company and one-half of one (1/2) common share purchase warrant (each whole warrant, a “Warrant”), whereby each Warrant entitles the holder to purchase one additional common share for a period of two years from closing at an exercise price of \$0.10 per share. Net proceeds from the financing will be used for general operations (working capital) including business development and technology upgrades. All securities issued in connection with the financing are subject to a statutory hold period expiring four months and one day from the date of issuance of the securities.

Third-Party Validation of Technology

In October and November, the company worked extensively to get third party validation for the tech in the form of peer reviewed publications. Furthermore, two (2) publications were successfully peer-reviewed and accepted in scientific journals

A NOVEL DEEP LEARNING TECHNIQUE FOR ALCOHOL IMPAIRMENT USING VISUAL AND ACOUSTIC FEATURES – (<https://ikpress.org/index.php/JOMHR/article/view/7868>)

NOVEL AI BASED APPROACH FOR HUMAN BODY TEMPERATURE EVALUATION USING INNER EYE CANTHUS LOCALIZATION FROM CAMERA FEED (<https://ikpress.org/index.php/JOBARI/article/view/7897>)

Moreover, four (4) additional publications are currently under peer-review in scientific journals. In addition to Predictmedix’s recently peer-reviewed publications for detecting impairment from alcohol and detecting body temperature, these four publications continue to validate the Company’s technology to identify symptoms of infectious diseases, fatigue, key vitals, and the overall ability to screen for various parameters as part of Safe Entry’s Fit for Duty screening.

Peer-reviewed journals articles are an imperative piece to Predictmedix’s scalability and technology and solution adoption plan. Predictmedix’s academic publications must be scrutinized by experts in the same field and is necessary to ensure academic scientific quality – and having several accepted publications in scientific journals is a significant milestone for the Company’s sales efforts and for its IP. **Technology related developments**

The company also worked extensively to further fine tune and refine the technology by improving accuracy as well as by deploying upgrades to make the technology more user friendly. These included:

- Significant updates and upgrades were made to our AI algorithms from capturing data from subjects across US, Canada, Mexico, and India – making Safe Entry Stations more accurate, reliable, and faster.
- Over-the-air, automated updates that integrates most recent captured datasets from various customer sites globally. Safe Entry Stations will receive updated algorithmic models via over-the-air updates, automatically, in real time.
- New employee monitoring heatmap whereby respective managers can visualize data scanned for infectious diseases, impairment from cannabis and alcohol, extreme fatigue and exhaustion, and emotionally distressed states.
- Recurrent Neural Network noise filtering and other new features are now being used to manage voice signals, as part of the Speech Detection parameter of Safe Entry’s Fit for Duty screening. This contributes to a higher accuracy reading for Safe Entry’s Speech Detection parameter.

Other Business Developments

As the Company works to commercializing its Fit for Duty screening solutions, its resellers and partners are making progress in their advanced sales pipelines as well as forging partnerships with major Safety and Risk Management Corporations in North American along with several other jurisdictions.

The Company is set to debut and showcase Safe Entry's Fit for Duty to key industry executives in multiple upcoming conferences. Additionally, demo units are currently being sent to large potential clients and potential partners for scaling up the Company's solutions in North America as well as international jurisdictions.

The company launched deployments of demonstration units with comprehensive Fit for Duty screening via the Company's distributor network which includes SBL. SBL has begun deploying Safe Entry Stations to partners such as Probe IMT in South Africa, a leader in technology integration to the mining sector throughout Africa, and other leading players in key markets. Furthermore, Safe Entry demonstration units being deployed are for a series of Discovery Sessions, starting in Calgary and Vancouver beginning this month, and throughout North America in Q4 and onwards.

On November 17, the company also announced deployment of Safe Entry at LongArm Engineering's Odessa Texas facility. LongArm Engineering will be implementing Safe Entry at their Odessa Texas facility, a full cycle operation including engineering, electrical, automation, and fabrication. Odessa Texas is in the heart of the Permian Basin, currently one of the largest and most active oil & gas basin hotspots. Safe Entry will be used to screen staff, contractors, clients, and guests to ensure a healthy and safe workplace.

January – May 2023

The company has announced major developments from January to May 2023 which included private placement, listing on Frankfurt Stock Exchange along with completion of clinical studies, technological advancements in addition to contracts.

Private placement and listing on the Frankfurt Stock Exchange:

On February 13, 2023 the company announced that it has closed a non-brokered private placement for total gross proceeds of \$612,500. The Company has issued 12,250,000 units (the "Units") at a price of \$0.05 per unit. Each Unit consists of one common share of the Company and one common share purchase warrant (a "Warrant"), whereby each Warrant entitles the holder to purchase one additional common share for a period of two years from closing at an exercise price of \$0.10 per share. Net proceeds from the financing will be used for general operations (working capital) including business development and technology upgrades. All securities issued in connection with the financing are subject to a statutory hold period expiring four months and one day from the securities' issuance date. At the same time, the company also announced that its common shares have been accepted for listing on the Frankfurt Stock Exchange and trades under the symbol "3QP". Moreover, in order to increase the exposure in Europe, the company engaged GOLDINVEST, a European publisher, for a 6-month contract to increase the company's awareness in the German-speaking financial community and through its extensive investor network throughout Europe.

Clinical trials:

On February 15 2023, the company announced pivotal clinical validation data from one of the largest Government hospital groups in India for the company's AI-powered Safe Entry Stations. The third-party

clinical findings from 400 patients show that Predictmedix's Safe Entry Stations accurately screen for various physiological conditions non-invasively – a pivotal milestone for the company's proprietary technology portfolio and for the global healthcare industry. The scope of the study was to determine the effectiveness of Predictmedix's AI-powered screening technology. The Safe Entry Station is a walk-thru system where an individual stands in front of the unit for 2-3 seconds while the multi-spectral imaging cameras gather the necessary information to determine the physiological state of the individual. Parameters like temperature, heart rate and respiration rate are collected non-invasively and the AI/ML algorithms compute a result. Vitals hold key insight into an individual's state, whether they're dealing with health complications, influenza, fatigue or even impairment. Safe Entry does not capture or store personal identity information, ever.

On March 8, 2023, the company announced the completion of a 1600-person clinical study taken place at a prominent University in Indonesia for the purpose of validating the company's AI-powered non-invasive screening technology in order to prepare for the regulatory approval application to classify Safe Entry as a medical device. As the company's commercialization efforts are underway in Indonesia, having Safe Entry classified as a Medical Device is an integral step to scaling into the landscape of the Indonesian market. The third-party validation of the company's AI-powered screening technology marks yet another milestone for the efficacy of Safe Entry.

On March 28, 2023, the company announced that its AI-powered technology, powering the Safe Entry Station, was Featured in a major Indonesian newspaper published on March 27, highlighting the validation on over 2,000 individuals and confirming the effectiveness of the technology as well as the potential it has for Healthcare. The University of Raharja conducted testing and validation on over 2,000 individuals using Safe Entry and now working with the Government to identify solutions for the healthcare sector while working towards the approval of Safe Entry as a medical device in Indonesia.

Technological advancements:

On March 15, 2023, the company announced the production of its AI-Powered mobile app in conjunction with a portable multi-spectral imaging camera to non-invasively detect impairment from alcohol and cannabis. The non-invasive solution will be commercialized with the intent to serve global law enforcement agencies, transport, and other mobile high-risk industries where impairment remains a significant liability. The Company's recently conducted studies showed that its screening tool can accurately identify impaired individuals with a success rate of over 90%. Furthermore, the screening process takes less than 30 seconds to complete, making it a quick and reliable way to identify impairment.

On March 20, 2023, the company announced that the US Patent Office has granted a patent for its AI-powered technology (United States Patent Application Number: 16/892,369) for the non-invasive detection of impairment caused by alcohol and/or cannabis. The patented technology uses multispectral imaging and speech analysis to identify and extract features from an individual, allowing the technology to determine whether the individual is exhibiting signs associated with impairment. The technology is part of the Company's Fit for Duty screening solutions, which provide contactless and bias-free screening for impairment, extreme fatigue, and infectious diseases.

On March 23, 2023, the company announced that it has achieved over 90% accuracy in identifying impaired individuals using a combination of multispectral imaging and speech analysis, as demonstrated in the Company's latest study. As the technology is powered by artificial intelligence, its accuracy rate is only expected to increase with time, thanks to the deep learning and machine learning algorithms that allow the system to learn and adapt from new data. The patent granted to the company outlines the process of how data gathered from multispectral imaging and speech analysis is used for identification of impairment. This

involves the capture of data by a multispectral camera along with a speech sample. Features and their intensities are extracted and correlated with impairment, with each feature generating an intensity representation. At least one impairment analytical model is then applied to determine a respective impairment likelihood, and a confidence level is determined for each impairment likelihood based on the characteristics associated with at least the applied impairment analytical model and that feature. With the use of impairing substances, individuals can be unable to safely perform certain tasks. For example, the use of drugs such as cannabis or alcohol can impair an individual's physiological and/or psychological state, leading to significant safety risks. Predictmedix's technology functions by identifying signs of impairment and correlating them with various levels of impairment-inducing agents. Furthermore, the AI algorithms can even identify if someone has consumed just one "standard alcoholic beverage," which may or may not be classified as impaired depending on the jurisdiction. The company offers flexibility for end-users to define the thresholds used to flag someone as impaired or not, based on internal policies and/or the jurisdiction they are operating in. The patented technology will also be used in Predictmedix's AI-powered mobile app, which works alongside a portable multispectral imaging camera for non-invasive impairment detection. The company plans to commercialize its mobile solution to serve global law enforcement agencies, transport, and other high-risk industries where impairment is a significant liability.

On April 19, 2023, the company announced significant advancement in its Safe Entry Stations. The Company's AI-powered screening technology will now be able to take non-invasive blood pressure readings, making Safe Entry a vital tool for detecting and managing cardiovascular diseases, the leading cause of global mortality. Using artificial intelligence technology, Predictmedix's Safe Entry Stations already screen individuals for vital parameters such as temperature, heart rate, respiratory rate, and oxygen saturation. With the added ability to measure systolic and diastolic blood pressure, Safe Entry Stations now provide even greater accuracy for its healthcare applications as well as workplace and law enforcement screening tools. Predictmedix is also pleased to announce that it has introduced Heart Rate Variability (HRV) in its vital parameters detection, which provides an early indication of the onset of several diseases. The HRV component reflects the functions of a parasympathetic and sympathetic nervous system, the two components of the Autonomic Nervous System (ANS), which control heart activity. Studies are underway in India to progress and validate HRV screening capabilities. Additionally, the company is initiating Blood Oxygen Saturation screening trials to further enhance its screening solutions.

On May 10, the company announced launch of its ground-breaking complete triage solution. Predictmedix's cutting-edge system encompasses a wide range of parameters, including 8 new parameters, providing an unparalleled level of accuracy and efficiency in healthcare assessments. Recognizing the urgent need for efficient triage solutions, Predictmedix has initiated deployments of its comprehensive system in major hospitals in a targeted geography in Asia where the number of patients coming in a day often exceeds 1000. The company's triage solution has been seamlessly integrated into certain hospitals' existing healthcare infrastructure, ensuring a smooth transition and minimal disruption.

The company's Triage Solution incorporates the measurement and analysis of the following vital parameters: temperature, eye redness, heart rate, respiration rate, fatigue, weight, BMI, BMR, blood pressure, heart rate variability, skeletal muscle, resting metabolism, visceral fat, body fat percentage, bone mass, and alcohol/cannabis impairment. Predictmedix expects to scale up its operations in the near to mid term. The technology has the potential to revolutionize the way hospitals manage patient care and could be a game-changer for the healthcare industry.

On May 17, 2023, the company announced the launch of its ground-breaking fitness scan vertical tailored specifically for athletes, teams, and sports federations. Leveraging state-of-the-art AI technology, Predictmedix's fitness scan vertical delivers a comprehensive analysis of an athlete's fitness level,

empowering them to optimize their training and elevate their performance. The innovative fitness scan vertical by Predictmedix harnesses advanced machine learning algorithms to provide athletes with precise and personalized insights into their physical capabilities. By evaluating key performance factors such as strength, endurance, flexibility, and cardiovascular health, the platform offers athletes a holistic understanding of their fitness profile. This invaluable information enables athletes to identify areas for improvement and craft customized training programs tailored to their unique needs and aspirations.

Business Development:

On March 6, 2023, the company announced a purchase agreement with Defspace, an India based global platform for defence, space and aerospace for the company's Safe Entry's Fit for Duty screening. Defspace will lease four Safe Entry Stations which will be used by their clients in the defence and aerospace sector to screen their workforce for signs of impairment – an issue that hinders productivity and threatens health and safety across all operations. The total value of the purchase order is approximately \$500,000 for the entire term. DefSpace operates an exclusive global platform for Defence, Space and Aerospace. The platform offers secured and authorised connections between buyers and sellers, Investment opportunities, job opportunities and many services that add significant value to companies who are already working in Defence, Space and Aerospace Sector or for those just entering the field.

Private Placement:

On June 21, 2023, the company announced the closing of its previously announced private placement (announced on June 16, 2023). The Company has issued 10,510,000 units (the "Units") at a price of \$0.10 per unit to investors for gross proceeds of \$1,051,000. Each Unit consists of one common share of the Company and one common share purchase warrant (a "Warrant"), whereby each Warrant entitles the holder to purchase one additional common share for a period of two years from closing at an exercise price of \$0.15 per share.

The net proceeds from the private placement will be primarily allocated towards general operations, focusing on working capital requirements, which includes essential aspects such as business development and technology upgrades. All securities issued in connection with the private placement will be subject to a statutory hold period expiring four months and one day from the date of issuance of the securities. This funding infusion will enable Predictmedix to expand its operations, invest in research and development, and enhance its product offerings, ultimately strengthening its position as a leading provider of AI-driven health screening solutions.

On July 10, the company announced that it will be changing its corporate name to Predictmedix AI Inc, aligning the company's brand image with its innovative and AI-driven approach to revolutionizing various aspects of healthcare and safety. The decision to incorporate "AI" into the company's name highlights Predictmedix AI's unwavering commitment to utilizing cutting-edge artificial intelligence technologies to enhance healthcare diagnostics, screening, workplace safety, impairment detection, and fitness screening. By integrating AI into its core operations, Predictmedix AI is poised to deliver even more accurate, efficient, and transformative solutions. The name change officially came in effect from July 13 onwards.

Subsequent developments in the Indian and Indonesian markets:

As part of the company's focus on the healthcare market in India and Indonesia, the company announced several developments focused on the two regions. On July 19th the company launched a fully integrated healthcare solution for the Indian market. Predictmedix's AI solutions have already garnered recognition and adoption globally, earning accolades for their potential to reshape healthcare systems. With the launch

of these innovative offerings in India, Predictmedix aims to collaborate with healthcare providers, government institutions, and industry stakeholders to drive positive change and improve healthcare outcomes for the nation's population. To expedite collaborations and business development in India, Predictmedix also announced incorporation of a fully owned Indian subsidiary and has received approval from the government for the subsidiary to be called "Predictmedix India Pvt Ltd". As part of the company's focus on the Indian market along with the underlying potential opportunities, on July 25th the company announced that its fully owned Indian subsidiary, Predictmedix India Private Ltd has engaged with a prominent Indian supplier for the mass production of the Company's AI-powered Safe Entry Stations. The prominent supplier has worked with well-known global conglomerates for large scale fabrication, manufacturing, and distribution. This partnership will mark a significant milestone in Predictmedix's mission to provide cutting-edge technologies that enhance public health, safety, and security. By partnering with a supplier with extensive manufacturing capabilities, Predictmedix AI aims to meet the growing demand for Safe Entry in Healthcare, ensuring its widespread availability and efficient deployment. The new supplier's ability to rapidly scale production aligns with Predictmedix's commitment to delivering scalable solutions that can be seamlessly integrated into diverse and complex environments.

On July 28th the company provided an updated on the Indonesian market. In a groundbreaking effort in Indonesia, Predictmedix AI has conducted cross-testing on more than 4000 individuals, encompassing a comprehensive range of vital signs, including body temperature, heart rate, respiration rate, HRV, blood pressure, fatigue, and body weight. The extensive data collected has been instrumental in developing and successfully validating new deep-learning modalities. These advanced models, powered by AI algorithms, significantly enhance the accuracy and effectiveness of Safe Entry in detecting potential health and safety concerns. Furthermore, Predictmedix AI has joined forces with a prestigious Indonesian University to submit a joint research grant to the Ministry of Education and Ministry of Health. The grant aims to facilitate cutting-edge research and development of Safe Entry Stations tailored specifically for Indonesia. This collaboration underscores Predictmedix AI's commitment to forging partnerships that drive technological advancements in healthcare and public safety. The management of the Indonesian University has demonstrated unwavering confidence in the effectiveness and reliability of Safe Entry Stations. To promote a culture of health and safety on campus, the university is utilizing Safe Entry for daily check-ins of all faculty and students.

On August 2nd the company announced a significant technological milestone, having completed over 200,000 individual scans through its AI-powered Safe Entry Stations covering various vitals such as body temperature, heart rate, respiration rate, body weight, HRV, fatigue, and impairment. This achievement marks an important advancement in utilizing machine learning to enhance accuracy and efficiency in healthcare and other industries.

On August 10th, the company announced that its technology was profiled in an Indian newspaper. The featured article highlighted that BPS Women's Medical College, a major government hospital in India which screens over 2000 patients per day, is utilizing the Safe Entry to screen patients for 15 vitals in 17 seconds resulting in several positive outcomes for hospital systems.

For more information, please visit <https://www.bhaskar.com/local/haryana/sonipat/gohana/news/now-in-17-seconds-in-bps-college-hospital-complete-examination-of-patients-bodies-will-be-done-131626313.html>

The conventional workflow of spending roughly 20 minutes per patient for physical vital sign monitoring, coupled with instrument costs, maintenance, and manual data entry, is being replaced by Predictmedix AI's Safe Entry Stations. Safe Entry streamlines the entire Triage's process, completing it within a mere 17-20

seconds. This remarkable advancement eliminates the need for labor-intensive manual screenings, significantly reducing waiting times and resource allocation challenges.

On August 21st, the company announced technological advancement for diabetes. The company announced a recent technological milestone in its AI product suite – the ability to detect early signs of diabetes in individuals by analyzing subtle biological indicators, often undetected by conventional methods. Predictmedix AI's expansion into diabetic screening seamlessly aligns with its mission in providing cutting-edge, personalized healthcare solutions worldwide.

Anticipating India's Rising Diabetes Concerns, Predictmedix AI has developed the non-invasive ability of early detection of the disease. The company, a pioneering force in artificial intelligence-driven diagnostics on a global scale, is excited to introduce its diabetes screening solution to its comprehensive lineup of AI-powered healthcare offerings. As India faces an escalating diabetes challenge, Predictmedix AI's new initiative aims to transform current modalities for early detection and intervention for this prevalent chronic ailment. India, a country grappling with a significant diabetes burden, has witnessed an alarming surge in diabetes cases in recent years.

On September 12th, the company announced that its technology was profiled in Toronto Star and the company also announced addition of oxygen saturation as a new parameter to safe entry stations.

This exciting development marks a significant milestone in Predictmedix's journey, enhancing the company's visibility and attracting both business opportunities and investor attention.

https://www.thestar.com/business/this-ai-scanner-promises-to-speed-up-assessment-times-in-hospitals-and-keep-cannabis-off/article_fe3545f4-1c00-508a-8658-c120720d237a.html

The spotlight on Predictmedix AI in the Toronto Star underscores the company's commitment to cutting-edge technology and innovation in the healthcare sector. With the rapid advancements in AI and healthcare, Predictmedix continues to set industry standards by introducing ground-breaking solutions that have the potential to revolutionize patient care at scale.

Predictmedix AI has successfully accelerated development and deployment of AI algorithms capable of contactlessly identifying Oxygen saturation levels (SPO2). The measurement of oxygen saturation plays a crucial role in the management of patients with various health conditions, including chronic obstructive pulmonary disease (COPD), asthma, pneumonia, lung cancer, anemia, heart failure, heart attack, and other cardiopulmonary disorders.

What sets the Safe Entry system apart is its exceptional accuracy, with a 97 percent success rate demonstrated in live testing. This innovation was initially developed at the request of government officials in India, where respiratory health issues are a growing concern.

Thereafter in September, the executives of the company left for India for a strategic business trip and returned in October. The focus was on expansion and strategic alliances in India to drive business development. These included:

- Strategic Alliances: Predictmedix AI has initiated multiple partnerships designed to drive business development across diverse verticals, with a strong focus on the healthcare sector. These partnerships are poised to redefine how AI-driven solutions impact the industry and beyond.

- **Government Collaborations:** Building on its commitment to regulatory alignment and government initiatives, Predictmedix AI has established vital partnerships with key government organizations to promote innovation and compliance.
- **Enhanced Healthcare Engagement:** During its overseas tenure, Predictmedix AI continued to deepen its engagement within the healthcare sector, demonstrating its ongoing dedication to transforming patient care and diagnosis using state-of-the-art AI technologies.
- **Diversified Opportunities:** Predictmedix AI has explored new opportunities in non-healthcare verticals, further expanding its footprint and leveraging its AI expertise to contribute to various industries.
- **Key Talent Acquisition:** The company has recruited key individuals with exceptional skills and experience, strategically enhancing the team to accelerate business development efforts.
- **Certifications for Healthcare:** In response to client requirements for commercial orders, Predictmedix AI is actively pursuing Bureau of Indian Standards (BIS) and Central Drugs Standard Control Organization (CDSCO) certifications to ensure the quality and compliance of its healthcare solutions

Over the past quarter, the company has achieved valuable milestones on the technological and data validation front. Moving forward, the company is particularly focused on the Indian and Indonesian market for expansion of its technology as a health triage tool targeting verticals such as healthcare, defense and education.

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),

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 the 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").

The Company has commenced amortization on the intangible assets on a straight-line basis over the useful life estimated to be for 5 years.

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

		MWB		IDSS		Total
Cost						
Balance at January 31, 2022	\$	138,561	\$	442,818	\$	581,379
Additions		-		49,850		49,850
Balance at January 31, 2023	\$	138,561	\$	492,668	\$	631,229
Additions		-		-		-
Balance at October 31, 2023	\$	138,561	\$	492,668	\$	631,229
Accumulated amortization:						
Balance as at January 1, 2022	\$	18,990	\$	43,611	\$	62,601
Amortization		27,708		95,212		122,920
Balance as at January 31, 2023	\$	46,698	\$	138,823	\$	185,521
Amortization		20,952		74,496		95,448
Balance as at October 31, 2023	\$	67,650	\$	213,319	\$	280,969
Net Book Value						
Balance, October 31, 2023	\$	70,911	\$	279,349	\$	350,260
Balance, January 31, 2023	\$	91,863	\$	353,845	\$	445,708

SELECTED FINANCIAL INFORMATION

The following table contains selected consolidated financial information of the Company for the three and nine months ended October 31, 2023 and 2022.

	<i>3 months ended October 31, 2023</i>	<i>3 months ended October 31, 2022</i>	<i>9 months ended October 31, 2023</i>	<i>9 months ended October 31, 2022</i>
	\$	\$	\$	\$
Revenue	-	3,500	-	30,300
Gross profit	-	3,500	-	21,900
Total operating expenses	(449,414)	(462,727)	(1,620,545)	(1,165,403)
Loss and comprehensive loss	(449,414)	(459,227)	(1,620,545)	(1,143,503)
Income (Loss) per common share – basic and diluted	(0.003)	(0.004)	(0.012)	(0.010)
Weighted average number of common shares outstanding-	147,847,292	116,480,640	140,454,406	111,554,955

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

	<i>As at October 31, 2023</i>	<i>As at January 31, 2023</i>
	\$	\$
Current assets	122,898	137,480
Non-current assets	454,534	580,255
Total assets	577,432	717,735
Current liabilities	472,216	871,124
Total long-term liabilities	-	-
Shareholders' equity (deficiency)	105,216	(153,389)
Cash dividends per common share	-	-

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

	For the three months ended October 31, 2023	For the three months ended October 31, 2022	For the nine months ended October 31, 2023	For the nine months ended October 31, 2022
Revenue	\$ -	\$ 3,500	\$ -	\$ 30,300
Cost of Revenue	-	-	-	8,400
Gross profit	-	3,500	-	21,900
Expenses:				
Administration and general	\$ 20,710	\$ 19,149	\$ 46,281	\$ 51,220
Amortization	41,908	40,817	125,721	118,195
Audit and accounting	-	-	3,877	15,000
Consulting fees	176,055	152,916	510,505	254,042
Interest	-	-	9,018	-
Investor relations	-	-	-	51,936
Legal fees	8,381	3,700	45,699	34,373
Management fees	64,820	80,500	249,050	214,740
Marketing expenses	72,745	86,299	345,408	207,886
Payroll and related	-	34,563	-	83,133
Rent expenses	10,267	9,128	30,444	26,658
Share based compensation	-	-	95,500	16,438
Transfer agent and filing fees	13,398	20,317	55,588	53,517
Travel, entertainment and related	32,130	6,338	76,454	11,265
Vehicle use expenses	9,000	9,000	27,000	27,000
Total operating expenses	\$ (449,414)	\$ (462,727)	\$ (1,620,545)	\$ (1,165,403)
Loss and comprehensive loss	\$ (449,414)	\$ (459,227)	\$ (1,620,545)	\$ (1,143,503)
Loss per share-Basic and Diluted	\$ (0.003)	\$ (0.004)	\$ (0.012)	\$ (0.010)
Weighted average number of shares outstanding-Basic and Diluted	147,847,292	116,480,640	140,454,406	111,554,955

Revenues

The Company generated revenue of \$nil during the three and nine months ended October 31, 2023 (October 31, 2022- three- and nine-months revenue for \$3,500 and \$30,300, respectively). The prior period revenue comprised of monthly scanning revenue relating to its business focus and development of artificial intelligence (“AI”) technologies.

Expenses and Net Loss

Total operating expenses for the three months ended October 31, 2023, were \$449,414 (October 31, 2022 – \$462,727) and for the nine months ended October 31, 2023, were \$1,620,545 (October 31, 2022 – \$1,165,403).

Variances for the 3 months ended October 31, 2023 and 2022

Amortization expense for the period ended October 31, 2023, was \$ 41,908 as compared to \$40,817 for the prior period. The primary expense during the current period was the amortization of Intangibles for \$31,816 (prior period \$ 31,373). During the latter part of the year ended January 31, 2021, the Company commenced amortization of intangibles on a straight-line basis over the estimated useful life for 5 years. In addition, the Company amortized property and equipment for the current period for \$10,092 as compared to \$9,444 for the prior period.

Consulting fees cost \$176,055 for the three months ended October 31, 2023 (prior period \$152,916) consists primarily of expenses for consultants to assist with operations of the Company. The increase in consulting expense during the period ended October 31, 2023, as compared to 2022 was a result of the Company hiring additional consultants for corporate and business development in the current year.

Legal fees for the three months ended October 31, 2023, was \$8,381 as compared to legal fees for \$3,700 for the three months ended October 31, 2022. The increase in fees in the current period was primarily in relation to the legal expenses incurred for setting up a subsidiary in India.

Transfer agent and filing fees for the three months ended October 31, 2023, was \$13,398 as compared to prior period expense for \$20,317. The increased expense in the prior period was the added costs of filing and compliance for the filings in the USA. The Company has filed for discontinuance as a reporting issuer under the United States Securities Exchange Act of 1934.

Marketing expenses for \$72,745 for the three months ended October 31, 2023 (prior period \$80,500) consists primarily of media marketing and advertising of the Company and its products.

Variances for the 9 months ended October 31, 2023 and 2022

Amortization expense for the nine months ended October 31, 2023, was \$ 125,721 as compared to \$118,195 for the prior period. The primary expense during the current period was the amortization of Intangibles for \$95,448 (prior period \$ 91,104). During the latter part of the year ended January 31, 2021, the Company commenced amortization of intangibles on a straight-line basis over the estimated useful life for 5 years. In addition, the Company amortized property and equipment for the current period for \$30,273 as compared to \$27,091 for the prior period.

Noncash share-based compensation of \$ 95,500 for the nine months ended October 31, 2023 (prior period \$16,438), consists of the fair value (Black- Scholes calculation) of the issue of warrants to a consultant and the vesting of options issued to directors, officers and consultants. During the prior nine-month period, the expense related to the vesting of options issued to directors, officers and consultants.

Consulting fees cost \$510,505 for the nine months ended October 31, 2023 (prior period \$254,042) consists primarily of fees paid to consultants to assist with operations of the Company. The increase in consulting fees during the nine-month period ended October 31, 2023, as compared to 2022 was a result of the Company hiring additional consultants for corporate and business development in the current year.

Legal fees for the nine months ended October 31, 2023, was \$45,699 as compared to legal fees for \$34,373 for the nine months ended October 31, 2022. The increase in fees in the current period was primarily in relation to the legal expenses incurred for raising funds.

Transfer agent and filing fees for the nine months ended October 31, 2023, was \$55,588 as compared to prior period expense for \$53,517. The expense in the current period and prior period includes the added costs of filing and compliance for the filings in the USA. The Company has filed for discontinuance as a reporting issuer under the United States Securities Exchange Act of 1934.

Marketing expenses for \$345,408 for the nine months ended October 31, 2023 (prior period \$207,886) consists primarily of media marketing and advertising of the Company and its products. The increase in costs during the current period is a result of the Company's effort to promote the Company.

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.

The following table summarizes financial information for the three months ended October 31, 2023 and the preceding seven quarters:

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	-	-	-	4,720	3,500	5,300	21,500	34,540
Net income (loss)	(449,414)	(693,566)	(477,565)	(950,874)	(459,227)	(373,008)	(311,268)	(622,287)
Income (Loss) per share, basic and fully diluted	(0.003)	(0.005)	(0.004)	(0.008)	(0.004)	(0.003)	(0.003)	(0.006)

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 condensed interim 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.

Useful life of intangible assets - The intangible asset is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and experience and takes into consideration the anticipated life of the asset, the potential for technological obsolescence, and regulations.

New standards not yet adopted

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2024. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

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 October 31, 2023 the Company had cash and cash equivalents of \$44,430 and working capital deficit of \$349,318.

During the nine months ended October 31, 2023, the Company was provided cash of \$1,600,630 from financing activities, used \$1,635,450 in operating activities and used \$nil in investing activities.

During the nine months ended October 31, 2022, the Company was provided cash of \$461,800 from financing activities, used \$481,114 in operating activities and used \$84,798 in investing activities.

At January 31, 2023, the Company had cash and cash equivalents of \$79,250 and working capital deficit of \$733,644.

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

During the nine months ended October 31, 2023, the Company had cash outflows from operating activities of \$1,635,450 (prior period outflows for \$481,114), which was a result of the net loss of \$1,620,545 (prior period \$1,143,503), reduced by the non- cash items included in net loss of \$366,371 (prior period reduced by \$242,633) and increased by changes in non-cash working capital of \$381,273 (prior period reduced by \$419,756). There was an overall increase in cash outflows from operating activities by \$1,154,336 in the current nine-month period as compared to the prior nine-month period.

The non- cash items included in net loss for the nine- month period ended October 31, 2023, includes amortization expense for \$125,721 (prior period \$118,195), share based compensation of \$95,500 (prior period \$16,438) and shares issued for services for \$145,150 (prior period \$108,000).

The non-cash working capital adjustments for the nine month period ended October 31, 2023, includes outflow as a result of increase in sales tax receivable for \$20,006 (prior period inflow of \$150,966), outflow as a result of increase in prepaid expenses for \$4,977 (prior period decrease in prepaid expenses for \$20,564), inflow as a result of decrease in accounts receivable by \$10,706 (prior period outflow due to increase of \$22,140), outflow as a result of increase in due from related party for \$5,961 (prior period \$nil), outflow as a result of decrease in accounts payable and accrued liabilities for \$361,038 (prior period

inflow as a result of increase for \$280,866) and outflow as a result of decrease in deferred revenue for \$nil (prior period \$10,500).

The Company had outflow from investing activities during the nine-month period ended October 31, 2023, for \$nil (prior period outflow for \$84,798). During the current period, the Company purchased property and equipment for \$nil (prior period \$49,648) and invested in intangible assets for \$nil (prior period \$35,150).

The Company had inflow from financing activities during the nine-month period ended October 31, 2023 for \$1,600,630 (prior period \$461,800). During the current nine month period ended October 31, 2023, the Company received \$1,613,500 proceeds of private placement of units (prior period \$381,800 (net of expenses)). In addition, during the current period the Company received proceeds of \$25,000 from the exercise of options and repaid the promissory note for \$37,870. During the prior nine-month period ended October 31, 2022, the Company received subscription for shares for \$80,000.

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

The Company's administrative and other expenses exceed available cash resources and additional funding will 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.

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 adjusts 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 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 October 31, 2023 the Company had 147,847,292 common shares outstanding. As of date of the MD&A, the Company has 150,259,542 common shares outstanding.

At October 31, 2023, the Company had 8,180,000 outstanding stock options and 23,386,000 warrants. As of date of the MD&A, the Company has 8,180,000 outstanding stock options and 23,536,000 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 nine- month period ended October 31, 2023

- On February 13, 2023, the Company closed a private placement of 12,250,000 units at \$0.05 per unit for a consideration of \$612,500. This includes the subscription for \$50,000 received in the prior year. Each unit is comprised of one common share and one-half common share purchase warrant, with each whole warrant exercisable into a common share of the Company at an exercise price of \$0.10 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 3.91%; expected volatility of 102.4%; expected life of 2 years. The relative fair value of the 6,125,000 warrants has been valued at \$85,750 and common shares at \$526,750.
- On February 23, 2023, 500,000 common shares were issued on exercise of 500,000 options at \$0.05 per share for a total consideration of \$25,000.
- On April 28, 2023, 335,000 common shares were fair valued at \$30,150 and issued for services.
- On June 20, 2023, the Company closed a private placement of 10,510,000 units at \$0.10 per unit for a consideration of \$1,051,000. Each unit is comprised of one common share and one common share purchase warrant, with each whole warrant exercisable into a common share of the Company at an exercise price of \$0.15 per share for a period of 24 months. In connection with this private placement the Company issued to the agent 1,051,000 common shares and 1,051,000 agent warrants, each warrant exercisable into a common share of the Company at an exercise price of \$0.15 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: The valuation considered the following assumptions- Expected dividend yield of 0%; risk free interest rate of 5.0%; expected volatility of 109.57%; expected life of 2 years. The total proceeds were allocated as follows:

<u>Total proceeds</u>	<u>\$1,051,000</u>
Allocated to share capital	\$652,490
Allocated to warrant reserve-agent warrants	\$51,750
Allocated to warrant reserve-common share purchase warrants	\$346,760

- On July 17, 2023, 1,150,000 common shares were fair valued at \$115,000 and issued for services.
- On July 17, 2023, the Company issued 750,000 warrants fair valued at \$42,990 for services. Each whole warrant is exercisable into a common share of the Company at an exercise price of \$0.10 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 5.00%; expected volatility of 107.33%; expected life of 2 years.

During the year ended January 31, 2023

- On August 22, 2022, the Company closed the first tranche of a private placement of 8,300,000 units at \$0.05 per unit for a consideration of \$415,000. Each unit is comprised of one common share and one-half common share purchase warrant, with each whole warrant exercisable into a common share of the Company at an exercise price of \$0.10 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 3.49%; expected volatility of 101.42%; expected life of 2 years. The relative fair value of the 4,150,000 warrants has been valued at \$83,830 and common shares at \$331,170. In connection with this private placement, the Company incurred \$33,200 in share issuance costs.
- On August 22, 2022, 1,200,000 shares were fair valued at \$72,000 and issued for services.

- On September 30, 2022, 200,000 shares were fair valued at \$12,000 and issued for services.
- On October 24, 2022, 300,000 shares were fair valued at \$15,000 and issued for services.
- On October 31, 2022, 200,000 shares were fair valued at \$9,000 and issued for services.
- On November 1, 2022, the Company closed the final tranche of a private placement of 1,600,000 units at \$0.05 per unit for a consideration of \$80,000. Each unit is comprised of one common share and one-half common share purchase warrant, with each whole warrant exercisable into a common share of the Company at an exercise price of \$0.10 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 3.91%; expected volatility of 102.4%; expected life of 2 years. The relative fair value of the 800,000 warrants has been valued at \$11,208 and common shares at \$68,792.
- On November 7, 2022, 1,000,000 shares were fair valued at \$50,000 and issued for services.
- On November 30, 2022, 200,000 shares were fair valued at \$7,000 and issued for services.

During the year the Company received \$50,000 being subscription for 1,000,000 units (the "Units") at a price of \$0.05 per unit.

Continuity of the Company's warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding, January 31, 2022	3,114,569	\$0.50
Issued	4,150,000	\$0.10
Issued	800,000	\$0.10
Expired	-	-
Outstanding, January 31, 2023	8,064,569	\$0.25
Issued	6,125,000	\$0.10
Issued	10,510,000	\$0.15
Issued*	1,051,000	\$0.15
Issued**	750,000	\$0.10
Expired	(3,114,569)	\$0.50
Outstanding, July 31, 2023	23,386,000	\$0.12

*Agent warrant issued

**Warrants issued to a consultant for services

As at October 31, 2023, the Company had the following warrants outstanding:

Outstanding	Exercise Price	Remaining Life (Years)	Expiry Date
4,150,000	\$0.10	0.81	August 22, 2024
800,000	\$0.10	1.01	November 1, 2024
6,125,000	\$0.10	1.29	February 13, 2025
11,561,000	\$0.15	1.64	June 20, 2025
750,000	\$0.10	1.71	July 17, 2025
23,386,000	\$0.12	1.38	

(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.

Nine months ended October 31, 2023

On March 28, 2023, the Company granted 600,000 options to consultants exercisable at \$0.15 per share and expire on March 28, 2027. The Company expensed \$52,510 related to the vesting of these options. 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	4.00%
Expected dividends	0%
Expected forfeiture rate	0%
Expected volatility	112%
Expected life	4 years
Unvested stock-based compensation expense as of October 31, 2023	\$ -

Year ended January 31, 2023

- (a) The Company expensed \$1,834 relating to the vesting of options issued on March 23, 2021, resulting in unvested stock- based compensation expense of \$nil as of January 31, 2023.
- (b) The Company expensed \$6,778 relating to the vesting of options issued on June 9, 2021, resulting in unvested stock- based compensation expense of \$nil as of January 31, 2023.
- (c) The Company expensed \$7,826 relating to the vesting of options issued on July 30, 2021, resulting in unvested stock- based compensation expense of \$nil as of January 31, 2023.
- (d) On January 13, 2023, the Company granted options to its directors, officers and consultants to purchase up to 10,000,000 common shares. These options were issued at an exercise price of \$0.05 per share and vest immediately. These options have a term of four (4) years expiring on January 13, 2027. The Company expensed \$334,145 related to the vesting of the options. 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	4.00%
Expected dividends	0%
Expected forfeiture rate	0%
Expected volatility	141%
Expected life	4 years
Unvested stock-based compensation expense as of January 31, 2023	\$ -

As of January 31, 2023, there was \$nil 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, 2022	1,100,000	\$0.42
Granted	10,000,000	\$0.05
Expired	(70,000)	\$0.54
Expired	(200,000)	\$0.54
Expired	(250,000)	\$0.36
Expired	(250,000)	\$0.35
Outstanding, January 31, 2023	10,330,000	\$0.06
Granted	600,000	\$0.15
Exercised	(500,000)	\$0.05
Cancelled	(2,000,000)	\$0.05
Expired	(250,000)	\$0.25
Outstanding October 31, 2023	8,180,000	\$0.06

As at October 31, 2023, the Company had the following share purchase options outstanding and exercisable:

Number of options		Exercise Price	Remaining Life (Years)	Expiry Date
Outstanding	Exercisable			
80,000	80,000	\$1.02	1.71	July 17, 2025
600,000	600,000	\$0.15	3.40	March 28, 2027
7,500,000	7,500,000	\$0.05	3.20	January 13, 2027
8,180,000	8,180,000	\$0.06	3.20	

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial assets and liabilities are carried at amortized cost and belong to Level 2 of the fair value hierarchy. During the nine-month period ended October 31, 2023, there were no transfers between the level of fair value hierarchy. The carrying amounts of these financial instruments are approximately estimated to their fair value due to their short-term nature.

Financial risk management and objectives

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market 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 credit risk during the period ended October 31, 2023.

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.

The carrying amount of the company's financial liabilities approximates their contractual undiscounted cash flows and due within 0 to 12 months as of July 31, 2023 and January 31, 2023.

As at October 31, 2023, the Company had cash and cash equivalents of \$44,430 (January 31, 2023: \$79,250) to settle current liabilities of \$ 472,216 (January 31, 2023: \$871,124).

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. The Company is not exposed to any significant currency risk.

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:

	Nine months ended October 31, 2023		Nine months ended October 31, 2022	
Management fees expensed to directors and officers including bonuses	\$	249,050	\$	214,750
Vehicle expense		27,000		27,000
Rent		18,000		18,000
	\$	<u>294,050</u>	\$	<u>259,740</u>

	Three months ended October 31, 2023		Three months ended October 31, 2022	
Management fees expensed to directors and officers including bonuses	\$	64,820	\$	80,500
Vehicle expense		9,000		9,000
Rent		6,000		6,000
	\$	<u>79,820</u>	\$	<u>95,500</u>

During the nine months ended October 31, 2023, the Company expensed \$171,000 (October 31, 2022: \$113,000) being marketing expenses to companies controlled by close family members of the CEO.

As of October 31, 2023, there was \$22,785 due to related parties (October 31, 2022- \$67,988).

As of October 31, 2023, an amount of \$5,961 (October 31, 2022: \$nil) was due from a Company related by common directors.

As of October 31, 2023, there was \$12,995 advanced to the CEO to meet Company expenses (January 31, 2023: \$12,995) and included in prepaid expenses.

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, 2022, the Company signed a new two-year contract with a corporation owned and controlled by the CEO to pay monthly compensation of \$10,000 for CEO services. In addition, the Company is obligated to pay monthly rent of \$2,000 and an additional \$1,500 for the use of a personal vehicle.

Effective July 1, 2022, the Company signed a two-year contract with a corporation owned and controlled by the COO to pay monthly compensation of \$8,500 for COO services. In addition, the Company is obligated to pay an additional \$1,500 for the use of a personal vehicle.

SUBSEQUENT EVENTS

- a) On November 1, 2023, the Company issued 1,000,000 common shares each to two consultants for a total of 2,000,000 shares for services.
- b) On November 8, 2023, the Company issued 62,250 common shares to a consultant for services.
- c) On November 14, 2023, the Company issued 350,000 common shares and 150,000 warrants exercisable at \$0.10 per share for a period of two years to a consultant for services.

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.

- (a) The Company being a venture issuer, is not required to certify the design and evaluation of the Company's Disclosure Control and Procedures ("DC&P") and Internal Control Over Financial Reporting ("ICFR") and has not completed such an evaluation; and
- (b) inherent limitations on the ability of the certifying officers to design and implement on a cost-effective basis DC&P and ICFR for the issuer may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISKS AND UNCERTAINTIES

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 people, 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.

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 financing 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 is 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 than 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.

Business Segment and Concentration

The Company, through its subsidiaries, is currently focused on artificial intelligence ("AI") technologies which are targeting two specific areas: 1) workplace health and safety and 2) healthcare. All assets are located in Canada except property and equipment for \$45,900 which is located in India.

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.