AI/ML INNOVATIONS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED JULY 31, 2023

Introduction

The following Management's Discussion and Analysis ("MD&A") of AI/ML Innovations Inc. (the "Company" or "AIML") has been prepared to provide updates to the business, operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis for the fiscal year ended April 30, 2023 ("Annual MD&A"). Additional information relating to AI/ML is available under the Company's SEDAR+ profile at www.sedarplus.ca.

This MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This MD&A should be read in conjunction with the unaudited condensed interim consolidated for the three months ended July 31, 2023 and audited annual consolidated financial statements of the Company for the years ended April 30, 2023 and 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the period ended July31, 2023 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at July 31, 2023 unless otherwise indicated.

The condensed interim consolidated financial statements for the three months ended July 31, 2023, were prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares (the "Common Shares"); or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Going concern

The condensed interim consolidated financial statements were prepared with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, complete additional debt, or equity financing, or generate profitable operations in the future. The Company believes it will be able to raise the necessary funding to continue operations however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These conditions indicate a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern. The condensed interim consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

Caution Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These forward-looking statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgets", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Description of Business

The Company was incorporated under the Canada Business Corporations Act and was continued under the Business Corporations Act (British Columbia) on November 4, 2009. In February 2020, the Company's name was changed to AI/ML Resources Inc. and in November 2020 the name was changed to AI/ML Innovations Inc. On December 30, 2020, the Company filed a listing application with the Canadian Securities Exchange (CSE).

The Company was an exploration stage company that was in the process of exploring its mineral properties located in Canada and the United States of America, however, it has aligned its business operations to capitalize on the burgeoning areas of artificial intelligence (AI) and machine learning (ML), with an initial focus on emerging companies in the digital healthcare space.

During the year ended April 30, 2021, the Company entered and closed a share exchange agreement (the "Share Agreement") with Salu Design Group Inc. (hereinafter referred to as "Health Gauge"), which is a private technology company based in Edmonton, Alberta. Health Gauge holds the rights to intellectual property in the area of wearable technologies, and the application and methods associated with the applied AI/ML (artificial intelligence/machine learning) software using accelerometers, ECG (electrocardiogram), PPG (photoplethysmogram – used to measure blood volume changes in tissue), and other forms of physiological sensors to measure heart rate, heart rate variability, pulse oximetry, pulse wave velocity, pulse transit time, blood pressure, and activity. Health Gauge's intellectual property also includes proprietary methods and IP relating to behavioral tagging for the purposes of psychometric analysis.

Health Gauge's products completed beta testing in 2021 and were commercially available in the same year. Health Gauge developed strategic partnerships with several organizations during the fiscal year end April 30, 2022.

Additionally, during the year ended April 30, 2022, the Company acquired a minority interest in a Paris, France based company, Tech2Heal. Tech2Heal is a digital healthcare company with a focus on mental health support through its proprietary basket of apps and software platforms.

Finally, during the year ended April 30, 2022, the Company established AI Rx Inc. to hold the exclusive North American commercial usage rights (USA, Canada, Mexico) to Tech2Heal's complete portfolio of digital mental wellness and health-tech products and platform services, patents, technologies, brands, and trademarks.

The Company's registered and records office at 850 – 2nd Street SW, 15th Floor, Bankers Court, Calgary, Alberta, T2P 0R8 and head office at Suite 203, 645 Fort Street, Victoria, BC, V8W 1G2.

Overall Performance and Outlook

Corporate

AI/ML Innovations Inc. has aligned its business operations to capitalize on the burgeoning areas of artificial intelligence (AI) and machine learning (ML), with an initial focus on emerging companies in the digital healthcare space.

On December 21, 2020, the Company announced that it had received conditional listing approval from the Canadian Securities Exchange (CSE) and voluntarily delisted from the TSX Venture Exchange. On January 11, 2021, the Company's shares started trading on the CSE under its current symbol "AIML"

On June 10, 2021, the Company announced that it commenced listing on the OTCQB Venture Market under the symbol AIMLF.

On August 20, 2021, the Company announced that it was listed for trading on the Frankfurt Stock Exchange under the symbol 42FB.

On September 11, 2023, the Company announced Paul Duffy as its new Chief Executive Officer (CEO) of its wholly owned subsidiary, Health Gauge. The Company also appointed Mr. Fabrice Pakin, Masters (Marketing & International Business), to the Board of Directors.

Health Gauge

Health Gauge was incorporated for the purpose of commercializing new technology that could revolutionize ways to measure and track personal health biometrics, and ultimately help people better manage their ongoing health challenges. Health Gauge's patent-pending solution is a personal health monitoring & management system, which combines the latest wearable health monitors with sophisticated artificial intelligence software tools and a proprietary cloud computing software platform, to help caregivers, patients, and healthcare professionals access and utilize relevant data. Health Gauge's robust, real-time data capture capability provides fast feedback, resulting in better recovery outcomes and the realization of healthy living objectives through the ability to make immediate and better-informed health choices.

On June 16, 2021, the Company announced that Health Gauge partnered with the University of Alberta's ST Innovations regarding Neural Network data set validation work in support of Health Gauge's FDA 510k and Health Canada submission processes for clearance as a Class 2 medical device. Additionally, this collaboration is designed to help refine and optimize the overall accuracy of Health Gauge's latest wearable device (smart watch), The Phoenix, for blood pressure (BP), O2, and other predictive data relating to a patient's physiological information.

On June 22, 2021, the Company announced that Health Gauge entered into a strategic partnership with Lenica Research Group, a leader in the development of innovative, evidence-based tools to improve brain function and enhance athletic performance for the pending commercial launch of Lenica's Peak Cognition sports training platform.

On June 24, 2021, the Company announced that Health Gauge commenced the sale of "The Phoenix", the current version of its wearable health monitoring solution.

On September 7, 2021, the Company announced that Health Gauge entered a strategic partnership with AI-on-Call to deliver a digital remote patient monitoring solution for the early prediction, diagnosis, and prevention of sepsis and acute illness in seniors (whether in Assisted Living, Nursing Homes, Hospital, or Home settings).

On September 9, 2021, the Company announced that Health Gauge has undertaken a 12-month Pilot Project and collaboration with Trinity Western University ("TWU"). This collaboration will be spearheaded by Dr Anita Cote, a cardiovascular physiologist who holds a Canada Research Chair in Cardiovascular Adaptation to Exercise at TWU.

On November 4, 2021, the Company announced that Health Gauge entered into a Software-as-a-Service ("SaaS") licensing agreement with Rapid Test & Trace Canada ("RTTC") whereby Health Gauge will provide RTTC with a "Health Gauge-powered" verifiable, self-administering, rapid COVID testing solution for use by RTTC's corporate and retail customers. This product line has since been discontinued.

On February 1, 2022, the Company announced that Health Gauge has been granted a patent by the United States Patent and Trademark Office (US Patent No. 11183303), titled "Wearable Health Monitors and Methods of Monitoring Health", regarding Health Gauge's proprietary wearable health monitoring solution (the "Patent"). The Patent includes the use of multiple configurations of wearable health monitors (hardware designs), in conjunction with methods of analyzing bio-signals and monitoring health metrics (via Health Gauge's AI-driven software) for the purpose of assisting the user in achieving their personal health and wellness objectives.

On March 28, 2022, the Company announced that Health Gauge entered into a License Agreement with MedWatch Technologies, Inc. ("MedWatch") of Las Vegas, Nevada. MedWatch and Health Gauge have a non-arm's length relationship as they share a common board member. MedWatch has agreed to license Health Gauge's patented health management technology ("Licensed Patent") and proprietary AI-powered software ("Licensed Software") for use in MedWatch's non-invasive blood glucose and other blood chemistry monitoring solutions for diabetes, and the health & wellness market.

On November 14, 2022, the Company entered into an agreement to purchase shares with the shareholders of Health Gauge Inc. ("Health Gauge" or "HGI"), a private technology company operating in the digital health care space. Pursuant to the Agreement, AIML will acquire the remaining 30% of HGI's common shares in exchange for 1,800,000 Incentive Warrant Bs (each of which is exchangeable for no further consideration into one AIML common share, upon completion of certain revenue performance conditions by HGI as outlined in the Agreement). AIML previously acquired 70% of HGI's shares in August 2020. As a result of the transaction, the Company owns 95.1% of Health Gauge.

On January 23, 2023, the Company announced that its subsidiary, HGI has entered into a Letter of Intent with the Silicon Valley-based TaqTik Health, Inc ("TaqTik") to pilot an AI-enhanced health & wellness remote monitoring solution for obesity patients. Upon the successful conclusion of the pilot study, Health Gauge and TaqTik intend to enter a commercial arrangement to continue to utilize the Health Gauge solution to help improve the outcome for TaqTik's patients.

On March 6, 2023, the Company announced that its subsidiary, HGI has successfully completed a blood pressure validation study utilizing its best-in-class, wearable health monitoring solution, the "Phoenix".

SALIENT POINTS FROM THE BLOOD PRESSURE STUDY

- The study results show Health Gauge's solution to be at or near the benchmark for regulatory certification as a Medical Device.
- Health Gauge's patented AI technology for cuffless blood pressure estimation was verified in the scientific study performed by the University of Alberta's ST Innovations. The study demonstrated the effectiveness of machine learning to accurately estimate blood pressure using only Electrocardiogram and Photoplethysmogram data from the Phoenix watch.

Average of All Study Participants	After AI Training (mmHg)
Systolic pressure (MAE)	7.20
Systolic (SD)	6.29
Diastolic pressure (MAE)	6.20
Diastolic (SD)	5.16

*MAE = Mean Absolute Error (relative to a medical-grade BP cuff)
*SD = Standard Deviation
*mmHg = a measurement used to record blood pressure

- The study supports Health Gauge's FDA 510k and Health Canada submission processes for clearance as a Class 2 medical device. The STI study demonstrated the efficacy of the Phoenix on a limited user set for estimating blood pressure, while full certification studies will utilize the same protocol with larger participant groups.

In addition to Blood Pressure, the Phoenix also tracks heart rate, heart rate variability, sleep, steps, distance, calories, blood oxygen, temperature and respiratory rate. The Health Gauge platform stores data on a user's mobile device and synchronizes this data with a cloud server to enable data sharing with health professionals and care teams. Health Gauge offers a full platform for personal health and monitoring with many medical applications in the home, in hospitals and clinics.

On April 23, 2023, the Company announced that its subsidiary, HGI, introduced "Health Coach" – its proprietary Artificial Intelligence system where users create their own personalized health advisor, which assists the user in making better informed decisions that result in living a healthier lifestyle. This is accomplished through a simple chat interface between the user and their personal AI-powered Health Coach, which both manages the user's personal health information and can also actively engage the user regarding their health information needs. Once Health Coach evaluates a user's situation by analysing all of their available health data, and assessing the relevant data trends, averages and critical patterns, Health Coach then chats with the user to establish health goals and provide advice that will allow the user to make better health decisions.

On May 26, 2023, the Company announced that it has entered into a strategic agreement (the "Agreement") with World Weight Loss, Inc ("WWL"). In accordance with the terms of the Agreement, HGI, is developing certain AI-powered powered products and services exclusively for WWL, so that WWL may more effectively and efficiently interact with its weight management clientele, guiding them to a healthier lifestyle while maintaining sensible weight loss.

The salient terms of the Agreement include:

1. WWL has committed to purchasing a private placement financing of up to 10,000,000 units of the Company (the "Units") at a price of $0.075 per Unit for aggregate gross proceeds of up to $750,000 (the "Offering").

Each Unit will be comprised of one common share in the capital of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant entitling the holder the right to buy 1 AIML common share for a period of five years with the exercise price being adjusted as follows: the exercise price for the first year will be $.10 per share, for the second year $.20 per share, for the third year $.30 per share, for the fourth year $.40 per year and for the fifth year $.50 per share. The Warrants will also have an acceleration clause wherein AIML has the right to accelerate the expiry date if the common shares of AIML trade at a price equal or above a price equal to 400% of the exercise price for a period of at least 20 consecutive trading days.

2. WWL is collaborating with Health Gauge, for the design and implementation of an AI-driven "World Weight Coach App" with the goal of creating a unique virtual follow-up & membership program using avatars, for the purpose of losing weight and practicing a healthier lifestyle.

3. Subject to completion of the other terms of this Agreement, WWL will pay to Health Gauge 1,200,000 common shares of WWL in exchange for a paid-up exclusive license for all software and/or hardware developed for World Weight Coach App including the exclusive right for its non-invasive continuous glucose monitoring, as specifically applied in the weight loss market.

4. WWL will acquire up to 3,000 Phoenix smart watches.

5. WWL will pay contributions to Health Gauge for the development of the World Weight Coach, a ChatGPT AI solution, for distribution to the WWL market.

6. Subject to completion of the other terms of this Agreement, WWL will receive one seat on the five person Boards of Health Gauge. and AIML.

On June 14, 2023, the Company announced that its wholly owned subsidiary, Health Gauge, has been chosen for a University of Alberta clinical study. This pilot study aims to test the feasibility and establish a multidimensional architecture for long-term monitoring of patients with respiratory diseases, using the Health Gauge AI-based Wearable Device. The ultimate goal of this work is to empower a prompt and more accurate analysis of the health status of the patients and contribute to the validation of new instruments to assist clinicians and patients in clinical decision-making.

Tech2Health

Tech2Heal is a Paris, France based healthcare innovator specializing in digital health technologies with the objective of creating a compassionate, collaborative and patient-centered healthcare ecosystem. Tech2Heal has developed a portfolio of health-tech products and services designed to improve an individual's mental and physical well-being by utilizing a unique blend of proprietary digital assets and remote live counselling.

On September 23, 2021, the Company entered into a definitive agreement with Tech2Heal, regarding the acquisition of an equity interest in Tech2Heal and certain exclusive territorial commercial rights to its products, by AI/ML (the "Transaction").

The two primary commercial components of the Transaction are:

➢ AI/ML and Tech2Heal co-own, on a 70:30 basis, equity in an AI/ML subsidiary called AI Rx Inc, a B.C. company. AI Rx Inc. has been granted 100% of the North American rights (USA, Canada, and Mexico) to the exclusive commercial use of all products, brands, and trademarks of Tech2Heal, in perpetuity (the "Strategic Alliance"). AI/ML issued 1,500,000 common shares (subject to a minimum 12-month voluntary restriction) from its treasury to Tech2Heal as full and final compensation regarding the Strategic Alliance. AI/ML retains 2 of 3 Board seats, as well as management and operational control of AI Rx Inc.

➢ AI/ML will acquire an undivided interest in Tech2Heal's global operations by way of a €2million total investment into Tech2Heal, in return for 22.22% of Tech2Heal's common share equity. AI/ML advanced €750,000 in conjunction with the closing of the Transaction, with an additional €250,000 due on the 6-month anniversary (paid), €500,000 due on the 12-month anniversary (which is now due), and a final €500,000 due on the 18-month anniversary of the closing of the Transaction. The funds advanced to Tech2Heal by AI/ML will be used to further Tech2Health's technologies and global market penetration strategies as per a pre-agreed upon use of proceeds plan. AI/ML will hold a permanent seat on the Board of Directors of Tech2Heal.

To date, AI/ML has acquired and owns 11.11% interest in Tech2Heal's global interests as a result of advancing a total of €1,000,000 to Tech2Heal, as well as a 70% interest in all of Tech2Heal's products, services, patents, brands and trademarks in North America in perpetuity (through AI Rx) as a result of making a payment of 1.5 million shares of AI/ML's common shares to Tech2Heal.

On September 28, 2021, the Company announced that Tech2Heal SAS, was readying its Alakin RPM (remote patient monitoring) platform for deployment during the fourth quarter of last year. Subsequently, based on feedback from some early potential adopters, release of Alakin was delayed while certain additional features were added to the technology. Release occurred during Quarter 4 of 2022.

On October 12, 2021, the Company announced that its majority-owned subsidiary, AI Rx Inc, is preparing for deployment of the Tech2Heal portfolio of products into the US marketplace. Tech2Heal is AI/ML's minority-owned subsidiary with a basket of wellness and health-tech products and services designed to improve an individual's mental health and well-being by utilizing a unique blend of proprietary digital assets, remote live counselling, and a physical wellness center. Tech2Heal's premier product, Qookka Live, provides mental and emotional health preventive and support services to corporations and health insurers from within one cohesive app.

In order to effectively enter the US market, AI/ML and AI Rx have retained the services of Oxygen Enterprises Inc. for a 12-month period, who is tasked with developing a cohesive and sustainable market penetration strategy for AI Rx which is focused on the digital behavioral health landscape. Additionally, Oxygen Enterprises Inc. will assist in: identifying and facilitating business acquisition/alliance opportunities for AI/ML that specifically identify disruptive technologies in the artificial intelligence and machine learning sector directly impacting cultural change and the empowerment of consumers relating to the mental health sector; facilitating introductions to key industry players; sourcing and vetting potential key management; evaluating regulatory requirements for product/services deployment by region, and more.

In consideration for the above noted services, AI/ML has agreed to pay CDN $80,000 (for the 12-month term), 100,000 AI/ML shares (subject to a hold period), and 100,000 AI/ML stock options with an exercise price of $0.80 per share and 2-year expiration, in accordance with the Company's Stock Option Plan.

On January 27, 2022, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, has been selected to participate in the mental health innovation accelerator called IMPACT. Tech2Heal's "Qookka Mental Health Platform" was one of only five projects selected to participate in the program, from amongst a large number of applicants. The winning candidates benefit from a 9-month support program to accelerate their deployment, with significant involvement of IMPACT's founding partners.

IMPACT is an innovative public/private partnership formed to develop or accelerate novel solutions to remedy disruptions in the mental health care of adults. The 10 founding members of IMPACT comprise some of the finest health industry organizations, and include Janssen Pharmaceuticals (Johnson&Johnson), ARIIS (Health Industry Alliance for Research and Innovation), PSL University, Eisai (Japanese pharmaceutical), Otsuka Pharmaceutical, AXA (multinational insurance company), France Biotech (biotechnology trade association), PariSante Campus (ehealth research park), Fédération Française de l'Assurance (French Insurance Federation), and Assistance Publique–Hôpitaux de Paris (university hospital).

On February 7, 2022, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, has been chosen as one of a small and select group of candidates, to be a founding participant in the PariSanté Health Tech Campus, located in Paris, France. The PariSanté Campus ("Campus") is described as the heart of e-health research and innovation in France. Its ambition is to mobilize and multiply the efforts of collective health-tech intelligence by bringing together thousands of individuals representing the finest researchers, public operators, universities, start-ups, and manufacturers in a unique and rich ecosystem conducive to innovation.

The Campus is anchored by a core group of entities which includes Inserm (France's National Institute of Health and Medical Research), Health Data Hub (a public company facilitating secure data access), Paris Sciences et Lettres University (a public research university), The Inria Paris Research Centre (National Institute for Research in Digital Science and Technology), and Agence du Numerique en Sante (Digital Health Agency of France).

On June 9, 2022, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, has been chosen as a finalist in the highly competitive "i-Nov Innovation Contest" based on its Qookka digital therapy for depressive and anxiety disorders. It is a testament to the quality of the Qookka entry that Tech2Heal was chosen as a finalist, as less than 10% of the entries are chosen as finalists. Qookka received First Runner Up honours.

On June 22, 2022, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, has reported that it is undertaking the certification of its products and services in accordance with the internationally agreed standard for medical devices: ISO 13485:2016.

On July 7, 2022, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, reports that it is launching an independent clinical study to evaluate the effectiveness of its depression and anxiety therapy platform, Qookka. The study is being conducted in partnership with a public hospital and research laboratory located in Paris, France. Tech2Heal is committed to showing its ability to operate within highly regulated healthcare systems.

On July 19, 2022, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, has reported that it is readying the release of "Alakin". Alakin is a SaaS-modelled comprehensive, **HEALTH**care **Ma**nagement **P**latform ("health.map" for short) targeted for use by healthcare providers and pharma, is natively developed in FHIR standards to guarantee high interoperability and is fully HIPPA compliant. Alakin consists of a clinical dashboard for use by multi-disciplinary care teams that interacts with a conversational mobile app for patient use (IOS and Android). Alakin is a readily configurable, user-friendly "Swiss army knife" tool that promotes improved productivity of healthcare organizations, while providing them with the ability to create easily scaled engagement tools that link multi-disciplinary care teams with their patients - both for monitoring and vertical digital therapy purposes.

On August 2, 2022, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, has reported a second pilot study for its Alakin **HEALTH**care **Ma**nagement **P**latform ("health.map" for short). Alakin was released during the 4th quarter of 2022 and entered into agreements for pilot studies with hospitals and clinics in multiple locations.

On January 12, 2023, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, launched its Alakin ARPC (Automatic Remote Patient Care) Platform. Alakin is a "third-generation" solution that has transitioned beyond one-dimensional remote patient monitoring into a superior, flexible, full-spectrum remote patient care platform that simultaneously addresses the needs of patients, healthcare providers, researchers, administrators, and medical insurers without sacrificing the requirements of any of these stakeholders.

After extensive consultation with early adopters and strategic partners of the Alakin Platform, Tech2Heal recognized that the "standard remote patient monitoring" solution fell well short of the needs of the marketplace, as those solutions tend to focus on a single clinical use which makes the implementation across the clinical spectrum unfeasible. Consequently, Tech2Heal chose to delay the release of Alakin until refinement of its platform addressed the shortcomings of a conventional monitoring system, such as those found in the marketplace today. The result is that Alakin is unique in the market, a best-in-class solution with highly configurable features and an integrated series of tools.

On February 2, 2023, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, has been awarded the "2023 Innovation Grand Prize" at the prestigious L'Encéphale Medical Congress in Paris, for its recently released Alakin ARPC (Automatic Remote Patient Care) Platform. L'Encéphale is France's largest and most renowned medical congress for clinical, biological, and therapeutic psychiatry.

On March 28, 2023, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, had been chosen as the sole technology partner for Europe's largest study for the "prevention of loss of autonomy in the elderly through the use of personalized care pathways" (the "Study"). Tech2Heal's Alakin Platform has been chosen as the technological backbone for the University Hospital of Nice, France (CHU) led Study because of Alakin's ability to create digital care pathways, collect data, engage patients, report their information into a clinical dashboard, integrate local and community services in a geo-localized map, and integrate communication tools. Ultimately, because Alakin is a "no-code configurable platform", it empowers CHU to readily create a completely customized, complex, and intelligent, large-scale clinical trial by configuring Alakin to match CHU's exacting parameters. CHU is conducting the Study in conjunction with ten research laboratories from various fields such as public health, sociology, social and cognitive psychology, physiology, biology, and geography, and will be following a cohort of 30,000 elderly patients.

On July 12, 2023, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, had made significant advancements in its Digital Health Delivery Platform, Alakin, through the integration of artificial intelligence (AI). The Alakin Platform is a cutting-edge cloud-based solution incorporating a comprehensive suite of AI-driven features designed to empower clinicians and enhance patient care - enabling clinicians to optimize their quality medical time with patients and deliver personalized, proactive care.

On August 3, 2023, the Company announced that its minority-owned subsidiary, Tech2Heal SAS, had made significant strides following the successful launch of their flagship product, the AI-driven Alakin Digital Health Platform. Since its introduction into the market in January of 2023, the Alakin platform has gained considerable traction in the markets of France and Brazil, particularly in vertical private clinics, clinical trials, the public health sector, and the occupational health space.

General

The Company has limited revenues, so its ability to ensure continuing operations is dependent on its ability to obtain necessary financing to complete product development and marketing activities, and ultimately, the future profitable operation by way of sustained revenue generation from its goods and services.

Product Development and Objectives

On September 28, 2021, the Company announced that its minority-owned subsidiary, Tech2Heal, was readying its Alakin RPM (remote patient monitoring) platform for deployment during the fourth quarter of 2021. Subsequently, based on feedback from some early potential adopters, release of Alakin was delayed while certain additional features were added to the technology. Release of the MVP (minimum viable platform) version of Alakin occurred during the fourth quarter of 2022, in tandem with initial pilot studies with several significant healthcare providers located in Europe and South America.

Tech2Heal has innovated "Alakin", a scalable SaaS ("software as a service") digital therapy and remote patient monitoring platform that allows hospitals and clinics to effortlessly undertake "no code" value-based care programs with their patients. At its core, Alakin is a bespoke, full stack platform with a rich feature set that includes the "clinical builder" (a centerpiece product feature which allows for near limitless configurability of patient clinical protocols), embedded telemedicine tools, a triage dashboard, interactive calendars, fully scalable integrated patient records and more, which combine in a versatile and powerful tool that can save the healthcare provider's valuable resources while simultaneously helping to improve the outcome for patients. Alakin offers a B2B subscription model, with a monthly fee per patient embedded within the system of each healthcare provider. The targeted primary users are medical clinics, hospitals, ACOs, and individual doctor practices. Integral to its successful deployment, Alakin offers a method to accelerate innovative services to care teams and patients, in line with new regulations concerning value-based payments found in markets such as the US, Europe and Brazil. An advantage of Alakin to its targeted users is that clinicians are able to launch their own basket of services of remote patient monitoring and/or digital therapeutics within few hours, without having to use any computer code. Additionally, plans are underway to evolve Alakin to an "outcome-based" fee structure within certain markets, as is the case with some US health care providers. About Tech2Heal (DBA Tech2Health) https://www.qookka.me/

Trends

Although there can be no assurance that additional funding will be available to the Company, nor that the Company's sales in the short term will ramp up, management is of the opinion that the digital healthcare industry trends will continue to be favourable and hence, it may be possible to obtain additional funding for its project development. However, the Company remains cautious in case the economic factors that impact the digital healthcare industry deteriorate.

There is a growing awareness and acceptance amongst the public, healthcare providers, insurers/payors, and regulators towards the use of digital and virtual healthcare in general, with mental healthcare making up an increasing component of that. This trend is expected to continue at double digit growth rates globally for the next several years. Its acceptance was expedited by the CV-19 pandemic as patients were discouraged from face-to-face medical intervention in all but the most dire of circumstances. The general public has grown to understand the ease and convenience of digital healthcare as a result and healthcare payors understand that the deployment of digital health solutions both improves outcomes and reduces costs. Governments across Europe are implementing laws requiring payors to cover the cost of digital mental health therapy to the same extent as conventional methods.

Additionally, with the recent advancements in artificial intelligence and the general public's awareness of same, investors and strategic partners are showing a keen and growing interest in sourcing investments in the AI space. Predictions show that AI will have a multi trillion-dollar impact on the global economies and effect almost all facets of modern society. As this is the core business of the Company, we expect to benefit positively and significantly, both in terms of investor awareness as well as business development opportunities from this generational event.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", the Company is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Selected Quarterly Financial Information

Three months Ended	Total Revenue ($)	Net Loss ($)	Loss per share ($)	Total Assets ($)
July 31, 2023	172,677	368,230	0.01	2,347,037
April 30, 2023	156,145	250,961	0.04	1,507,925
January 31, 2023	138,228	351,736	0.01	1,457,499
October 31, 2022	108,561	371,424	0.01	1,462,475
July 31, 2022	63,080	518,507	0.01	1,638,472
April 30, 2022	65,409	641,493	0.01	2,039,812
January 31, 2022	-	669,105	0.02	2,010,399
October 31, 2021	-	1,210,149	0.04	2,644,961

Increased loss for the quarter ended July 31, 2023 compared with the previous quarter was primarily due to salaries and benefit of $125,531, advertising and promotion of $64,673, research and development cost of $62,158 and professional fees of $70,827. This increase was offset by revenue of $172,677.

Decreased loss for the quarter ended April 30, 2023 compared with the previous quarter was primarily due to revenue of $156,145 and decreased overall costs, such as advertising and promotion of $13,840, foreign exchange of $907 and salaries and benefit of $112,342. This decrease was offset by general and administrative expenses of $40,023, research and development cost of $62,056, and loss on marketable securities of $7,884.

Decreased loss for the quarter ended January 31, 2023 compared with the previous quarter was primarily due to revenue of $138,228 and decreased overall costs, such as general and administrative expenses of $30,958, research and development cost of $24,285, foreign exchange of $2,030 and gain on marketable securities of $7,167. This decrease was offset by advertising and promotion of $76,734 and salaries and benefit of $124,738.

Decreased loss for the quarter ended October 31, 2022 compared with the previous quarter was primarily due to revenue of $108,561 and decreased overall costs, such as general and administrative expenses of $39,701, professional and transaction fees of $40,408, advertising and promotion of $24,191 and share-based payments of $6,645 from the vesting of options. This decrease was offset by foreign exchange of $20,597, and loss on investment of $17,352.

Decreased loss for the quarter ended July 31, 2022 compared with the previous quarter was primarily due to revenue of $63,080 and decreased overall costs, such as general and administrative expenses of $53,806, professional and transaction fees of $57,803, and share-based payments of $8,491 from the vesting of options. This decrease was offset by increase in advertising and promotion of $127,117, and loss on investment of $18,712.

Decreased loss for the quarter ended April 30, 2022 compared with the previous quarter was primarily due to revenue of $52,894.

Decreased loss for the quarter ended January 31, 2022 compared with the previous quarter was primarily due to gain on settlement of debt of $99,189, and decreased overall costs, such as general and administrative expenses of $43,690, professional and transaction fees of $35,769, advertising and promotion of $168,569 and share-based payments of $21,772 from the vesting of options. This decrease was offset by increase in research and development of $111,962, and loss on investment of $25,083.
Increased loss for the quarter ended October 31, 2021 compared with the previous quarter was primarily due to advertising and promotional activities of $409,435, share-based payments of $174,330 from the grant of options, and the addition of a newly acquired subsidiary increased overall costs, such as general and administrative expenses of

$67,241, professional and transaction fees of $139,634, research and development of $84,718, and salaries and benefits of $145,267.

Financial Highlights

Financial Performance

For the three months ended July 31, 2023, compared to the three months ended July 31, 2022.

The Company incurred a net loss of $368,230 for the three months ended July 31, 2023, as compared to a net loss of $518,507 for the comparative period.

A brief explanation of the significant changes in expense categories is provided below:

i) Advertising and promotion of $64,674 (2022 - $127,117) decreased due to the Company's effort to conserve working capital during the current period.

ii) Consulting of $66,153 (2022 - $115,363) decreased due to the lower number of consultants hired for business operations during the current period as well as for business development in Europe.

iii) Professional and transaction fees $70,827 (2022 - $57,803) increased due to higher audit accruals during the current period.

iv) Research and development of $62,158 (2022 - $45,467) increased due to higher need for research and development.

v) Share-based payments of $Nil (2022 - $8,491) decreased due to no grants and vesting of stock options during the current period.

vi) Unrealized loss of marketable securities $358 (2022 - $25,084) due to fluctuations in fair market value of the securities that are held by the Company during the current period.

Cash Flow

The Company had cash of $554,443 (April 30, 2022 - $4,530). The increase in cash during the period ended July 31, 2023 was primarily due to cash provided by financing activities of $1,460,329 that was set off by cash used in operating activities of $584,436 and the further investment in Tech2Heal of $325,980.

Cash used in operating activities was $584,436 for the three months ended July 31, 2023. Operating activities were affected by a net loss of $368,230 and significant adjustments of $23,659 for loss on equity investment and change in non-cash working capital items of $266,391. For the three months ended July 31, 2022, operating activities were affected by a net loss of $518,507 and significant adjustments of $25,084 for unrealized loss on marketable securities, and share-based payments of $8,492, and change in non-cash working capital items of $228,786.

Cash used in investing activity for the three months ended July 31, 2023 was $325,980 due to amounts paid for investment in Tech2Heal. For the three months ended July 31, 2022, cash used in investing activity was $136,420 due to amounts paid for investment in Tech2Heal.

Cash provided by financing activities for the three months ended July 31, 2023 was $1,460,329, $1,454,634 for private placement subscription received, exercise of warrants of $77,500 and the office lease payments made during the period. For the three months ended July 31, 2022 the cash used in financing activities was $14,065 for office lease payments.

Liquidity and Capital Resources

The Company has non-material operating revenues and therefore must utilize its funds obtained from equity financing and other financing transactions to maintain its capacity to meet ongoing R&D and operating activities. The cash resources of AI/ML are held with major Canadian financial institution.

The Company's uses of cash at present occur, and in the future are expected to occur, principally in three areas, namely, funding of its general and administrative expenditures, sales and marketing efforts, and its R&D activities.

At July 31 2023, the Company had a working capital deficiency of $744,003 (April 30, 2023 – $1,560,859).

<u>During the period from May 1, 2023 to September 25, 2023, the Company:</u>

i) completed a private placement of 4,016,000 units at a price of $0.075 per unit, for gross proceeds of $301,200. Each unit consists of one common share and one common share purchase warrant exercisable for five years and will entitle the holder to purchase one warrant share at a price of $0.10 for the first year from the date of closing, $0.20 for the second year, $0.30 for the third year, $0.40 for the fourth year, and $0.50 for the fifth year following the closing date. The Company paid finders fees of $3,750 and issued 67,500 broker warrants (valued at $7,340), which are on the same terms as the warrants forming part of the units.

ii) issued 775,000 common shares upon exercise of warrants at an exercise price of $0.10 per common share.

iii) completed a private placement of 10,811,972 units at a price of $0.075 per unit, for gross proceeds of $810,884. Each unit consists of one common share and one common share purchase warrant exercisable for five years and will entitle the holder to purchase one warrant share at a price of $0.10 for the first year from the date of closing, $0.20 for the second year, $0.30 for the third year, $0.40 for the fourth year, and $0.50 for the fifth year following the closing date. The Company paid finders fees in relation to the second tranche of $48,520 and issued 344,300 broker warrants (valued at $49,120), which are on the same terms as the warrants forming part of the units.

iv) completed a private placement of 3,114,087 units at a price of $0.11 per unit, for gross proceeds of $342,550. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at $0.20 for a period of two years from the date of closing. The Company paid finders fees of $2,970 and issued 27,000 broker warrants (valued at $2,600), which are on the same terms as the warrants forming part of the units.

Notes Payable

i) During the year ended April 30, 2021, the Company received $40,000 from the Government of Canada sponsored Canada Emergency Business Account (CEBA) in the form of a line of credit. This loan is a two year, interest free loan, to be repaid by December 31, 2023. If the Company repays the CEBA loan on or before December 31, 2023, the Company is liable to only repay $30,000 of the principal balance. Any unpaid principal portion of the CEBA loan after December 31, 2023 will be converted into a three-year loan with an annual interest rate of 5%. During the period ended July 31, 2023 the Company repaid $2,500 and $37,500 is still outstanding.

ii) As at July 31, 2023, the Company owed $117,000 (April 30, 2023 - $117,000) to an unrelated company, which is unsecured, bears interest at 10% per annum, and due on demand. Total interest accrued during the period was $2,949 (2022 - $2,949).

Changes in Accounting Policies and Recent Accounting Pronouncements

Please refer to the condensed interim consolidated financial statements for the period ended July 31, 2023 on www.sedarplus.ca

Related Party Transactions

Related parties include the Board of Directors, Executive Officers and any companies owned or controlled by them.

The Company's subsidiary, Health Gauge is non-arm's length from MedWatch, as they share a common officer and director.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers and directors.

Remuneration of directors and key management personnel of the Company was as follows:

	Three months ended July 31, 2023	Three months ended July 31, 2022
Management fees	$ 34,500	$ 300,000
Professional fees	9,000	16,251
Salaries and benefits	56,308	20,846
Share-based payments	-	8,491
	$ 99,808	$ 75,588

As at July 31, 2023, the Company owed:

i) $797,645 (April 30, 2023 - $789,577) to a company controlled by a former director of the Company for management fees and expenses. Of the total amount owing, $640,150 is unsecured and bears interest at 5% per annum and repayable by December 31, 2022 (not yet repaid). Prior to January 31, 2021, the loan was non-interest bearing. During the period ended July 31, 2023, the Company accrued interest of $8,068 (2022 - $8,068) and at July 31, 2023 $88,995 (April 30, 2023 - $80,927) of interest was payable.

   The remaining amount owing of $68,500 (April 30, 2023 - $68,500) is unsecured, non-interest bearing with no fixed terms of repayment.

ii) $22,601 (April 30, 2023 - $82,730) to the Chief Executive Officer and director of the Company, which is unsecured, non-interest bearing, with no fixed terms of repayment.

iii) $Nil (April 30, 2023 - $7,644) owing to the spouse of a director, which is unsecured, non-interest bearing, with no fixed terms of repayment.

iv) $950 (April 30, 2023 - $7,376) owing to a director, which is unsecured, non-interest bearing, with no fixed terms of repayment.

v) $Nil (April 30, 2023 - $10,851) owing to a partnership in which the former Chief Financial Officer has an interest.

vi) $13,681 (April 30, 2023 - $25,961) to the Chief Technology Officer and director of the Company, which is unsecured, non-interest bearing, with no fixed terms of repayment.

vii) $59,038 (April 30, 2023 - $125,254) to a director of the Company and his spouse, which is unsecured, non-interest bearing, with no fixed terms of repayment.

During the period ended July 31, 2023, the Company had $39,855 (2022 - $38,065) of license fee revenue and $132,812 (2022 - $36,750) of services revenue, the other corporation has a common officer and director and is therefore considered to be a related party. As at July 31, 2023, $115,910 (April 30, 2023 - $95,811) of this amount was in accounts receivable.

Financial Instruments and Risk Management

The Company has realigned its business operations to capitalize on the burgeoning fields of artificial intelligence (AI) and machine learning (ML), with an initial investment focus on emerging digital health and wellbeing companies that leverage AI, ML, cloud computing and digital platforms to drive transformative healthcare management solutions and precision support delivery across the health continuum. The Company's financial condition, results of operations and business are subject to numerous risks.

For a complete discussion of such risks, please refer to the condensed interim consolidated financial statements for the three months ended July 31, 2023 on www.sedarplus.ca.

Share Capital

As of the date of the report, the Company has the following outstanding:

Common shares - 62,922,397

Stock options

Expiry Date	Exercise Price	Number of options outstanding	Exercisable
October 8, 2023	$0.80	100,000	100,000
December 21, 2023	$0.20	300,000	300,000
April 30, 2027	$0.20	800,000	800,000
March 12, 2028	$0.20	1,000,000	1,000,000
		2,200,000	2,200,000

Warrants

Expiry Date	Exercise Price	Number of warrants outstanding
January 19, 2024	$0.10	1,070,000[(1)]
March 14, 2025	$0.10	4,867,748
July 12, 2025	$0.20	3,141,087
June 8, 2028	$0.10[(2)]	4,083,500
July 4, 2028	$0.10[(3)]	11,156,092
		24,318,427

(1) The Company initiated a warrant exercise incentive program where exercise of this warrant series granted holder an additional warrant exercisable at $0.10 until January 19, 2024. Each warrant entitles the holder to subscribe for one additional share. All new warrants are subject to the rights of the Company to accelerate expiry upon 30 days' notice if the shares of the Company trade on the CSE at or above $0.20 for a period of 10 days. During year ended April 30, 2023, 1,845,000 new warrants were granted.

(2) Warrant Share at a price of $0.10 on or before June 8, 2024, $0.20 on or before June 8, 2025, $0.30 on or before June 8, 2026, $0.40 on or before June 8, 2027, and $0.50 on or before June 8, 2028.

(3) Warrant Share at a price of $0.10 on or before July 4, 2024, $0.20 on or before July 4, 2025, $0.30 on or before July 4, 2026, $0.40 on or before July 4, 2027, and $0.50 on or before July 4, 2028.