Relay Medical Corp.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2020
(Expressed in Canadian Dollars)

Dated August 31, 2020

Management's Discussion and Analysis of Operations
For the three and nine months ended June 30, 2020

This Management's Discussion and Analysis ("MD&A) is prepared as June 1, 2020 and has been prepared in accordance with International Financial Reporting Standards ("IFRS). All amounts are in Canadian dollars.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's directors follow recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Caution Regarding Forward Looking Statements

This document contains forward-looking statements, such as statements regarding future sales opportunities in various global regions and financing initiatives that are based on current expectations of management. These statements involve uncertainties and risks, including the Company's ability to obtain and/or access additional financing with acceptable terms, and delays in anticipated product sales. Such forward-looking statements should be given careful consideration and undue reliance should not be placed on these statements.

The preparation of the MD&A may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Management bases estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Management believes the accounting policies, outlined in the Significant Accounting Policies section of its consolidated financial statements, affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

Introduction

The following MD&A for the nine months ended June 30, 2020 has been prepared to help investors understand the financial performance of Relay Medical Corp. (formerly ChroMedX Corp.) ("the Company" or "Relay"), in the broader context of the Company's strategic direction, the risk and opportunities as understood by management, and the key metrics that are relevant to the Company's performance. The Audit Committee of the Board of Directors has reviewed this document and all other publicly reported financial information for integrity, usefulness, reliability and consistency.

All amounts are expressed in Canadian dollars (CAD) unless otherwise noted.

Additional information about Relay Medical Corp., this document, and the related quarterly financial statements can be viewed on the Company's website at www.relaymedical.com and are available on SEDAR at www.sedar.com.

The Company's Common Shares are listed and traded on the CSE ("CSE") under the symbol RELA.

Corporate Overview

The Relay business model combines expertise in development/commercial leadership, funding, and strategic partnerships to offer inventors and early stage start-ups a unique "Integrated MedTech Accelerator" platform to develop and transact technologies with unmatched efficiency.

By utilizing proven methodologies, innovation culture, a multi-disciplinary techno-commercial team and a flexible funding vehicle, the Company has organized the resources to develop multiple technologies concurrently and actively identify and curate a portfolio of MedTech opportunities for commercialization and transaction. It is Relay's core focus to remain dedicated to building the organization holistically and as a long-term endeavour to acquire, develop and transact technologies for the benefit of all related stakeholders.

Acquisition and Development Model

Relay's acquisition and development model is guided by robust criteria and supported by thorough market intelligence and an innovative execution process, that ensures that each opportunity is critically evaluated for clinical and commercial advantages as well as its fit into the Company's infrastructure and domain expertise. To increase efficiencies, projects are chosen that compliment existing techno-commercial infrastructure and leverage existing human resources and expertise to rapidly increase value.

The Relay development model is to run multiple projects, spreading the risk, advancing the learning and making decisions across the entire portfolio, hand in hand with clinical leadership from the inventors, as an inherent part of the investment model. The key to having success under this model is to effectively manage the various stage-gates in a project so that unnecessary resources are not consumed advancing a project that is not worthy of advancement. The Company refers to its product development methodology as: "Due Diligence by Doing". It entails investing and iterating in measured steps, as the team gains more insight about the Product-Market-Fit and Exit-Architecture.

Results of operations

Overview

Relay Medical has made significant advances to the company's business and capabilities, notably changing the leadership, defining and refining the business model, building relevant infrastructure, completing successful financings, establishing Glow LifeTech Ltd. as a separate operating entity and advancing commercial strategies.

During the period, there was a global outbreak of COVID-19 ("Coronavirus"), which has had a significant impact on businesses through the restrictions put in place by Canadian government regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the Coronavirus outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, the impact to date has been manageable.

Fionet Rapid Response Group

The Fionet Rapid Response Group will enable mass distributed testing and automated aggregation, triage, and tracking to contain COVID-19, for deployment by public health agencies, retail health providers and private sector companies in Canada, the United States, Europe, Africa, and elsewhere.

The combined capabilities of the JV significantly strengthens Fio's ability to rapidly advance and pursue commercial opportunities related to its technology, which has been proven on more than one million cases in over a dozen countries for managing community-based RDT testing, triage, and tracking outbreaks of high-consequence infectious diseases, such as malaria, HIV, dengue, and Ebola, and has been further validated by several dozen publications in scientific journals.

In preparing for the JV, the two companies have already defined a technical, regulatory, and production plan to support the sales pipeline that Fio has developed in parallel. Drawing on resources from both Relay and Fio, the JV will provide a collective infrastructure of personnel and facilities to focus on customizing Fionet for COVID-19 test-triage-track regimes using approved third-party rapid diagnostic tests (RDT), and on connectivity to molecular tests (such as PCR). The JV will ensure that these applications are compliant with FDA, Health Canada, and other international medical device standards. The JV will also include the integration of compatible and complementary assets such as machine vision, AI and cloud processing from Relay's portfolio including HemoPalm Corp. and Pharmatrac technologies, to extend Fio's data-device platform. Rapid diagnostic tests (RDTs) are being approved to detect active infections by targeting antigens of the COVID-19 virus and to detect past infections and immune response by targeting specific antibodies. These tests can be manufactured in high volumes and provide results on the spot. When combined with the AI-based quality control and automated interpretation of Fionet devices, such tests provide fast accurate results that are instantly transmitted to a cloud and distributed to public health and other stakeholders responsible for managing the pandemic. Given the importance of the data, tools which can help assure

diagnostic accuracy and collate results are needed to facilitate safe and effective mass testing of the population for disease presence and exposure.

The JV has commenced operations of the Fionet Rapid Response Group ("FRR") to bring a new COVID-19 mobile testing and tracking platform to market. FRR is now in negotiation for trial deployments with several potential partners. Fionet is a mobile testing and tracking platform specifically developed for controlled, rapid response to pandemics. The platform combines handheld devices linked to online AI-powered cloud, automating frontline testing and capturing test results for tracking. Fionet's rugged, mobile devices are compatible with multiple third-party antigen and antibody COVID-19 rapid diagnostic tests (RDTs), which creates sourcing flexibility for RDTs which are of limited supply and continuously evolving. Fionet also connects with molecular testing devices such as PCRs.

HemoPalm and Related CO-oximetry Technologies

HemoPalm is a handheld whole blood analyzer and single-use cartridge, with full hospital IT integration, which bring lab-quality blood analysis to the bedside in critical care. The technical development and design planning of Relay's HemoPalm has been focused on an "enterprise solution" approach, integration with existing hospital infrastructure, and design flexibility, aiming to reduce barriers to adoption at every layer of the enterprise.

Relay is developing the HemoPalm technology to provide the in vitro diagnostics market with an efficient and complete enterprise solution for POC blood gas and CO-oximetry testing. The HemoPalm technology combines the capabilities of modern hand-held or ultraportable devices to measure blood gas and electrolyte parameters with the measurement of a full panel of CO-oximetry results, using a disposable, unit-use cartridge. The Company believes such a device will hold a significant competitive advantage in the marketplace. Relay currently has a techno-commercial team actively focused on the HemoPalm project.

Chief Science Officer Dr. Tom Glawdel led technical advancement to develop the HemoPalm-CX™ Proof-of-Principle Prototype, a proprietary, state-of-the-art, point-of-care CO-Oximeter. Relay's team has completed the HemoPalm-CX proof-of-principle prototype, a compact POCT instrument that directly measures five CO-oximetry components from unprocessed whole blood. The system uses proprietary optics and data analysis technology that Relay Medical had previously proven. This technology enables the direct measurement of unprocessed whole blood, without the need for red blood cell hemolysis as found in some benchtop systems. HemoPalm-CX features a compact optical system, single-use sample cartridges and cloud connectivity. The cartridges are designed for mass manufacturing, have a long shelf-life and can be stored a room temperature. Operation is quick and simple, as demonstrated in the video below.

The HemoPalm-CX complements bedside and near-patient blood gas analyzers without CO-OX capabilities. CO-oximetry measurements are crucial in critical care settings such as the Intensive Care Unit, Cardiac Care Unit, Neonatal Intensive Care Unit, Emergency Department and Emergency Medical Services. In addition to providing hemoglobin fractions, the accurate total hemoglobin (and calculated hematocrit) can facilitate transfusion decisions where POCT blood gas instruments may provide only unreliable conductimetric hematocrit measurements.

The completion of the HemoPlam-CX proof-of-principle prototype advances Relay Medical's goal of developing an industry-leading stand-alone POCT CO-oximeter that can be either sold directly by Relay or co-marketed/co-branded with other established BGA manufacturers. The small size of the device highlights the ability to integrate Relay's proprietary CO-Oximetry technology with existing blood gas instrumentation. This supports a commercial path of licensing the CO-oximetry technology for incorporation into one or more commercial blood gas platforms currently lacking CO-oximetry. Relay Medical intends to continue discussions with potential development and licencing partners, and is targeting large established medical device companies as well as emerging blood gas and POCT companies in developing markets.

UXD Acquisition and Pharmatrac

UX Data Sciences Corp. is a medical technology and data science company developing UX-centric products (UX refers to user experience) and systems solutions for improving, tracking and monitoring patient compliance and medication adherence including the Pharmatrac technology. The Company's mandate is to improve consumer's relationships with their medications and foster a more cohesive ecosystem between patients, doctors, carers, providers, and payors. The Pharmatrac is a UX-centric (user experience) system designed to improve management and identification of medications. The system offers sophisticated smart solutions to patients, caregivers and other stakeholders in the pharmaceutical prescription lifecycle.

Following user study analysis the team developed of a patent-pending design for an in-home countertop medication appliance. The appliance is designed to allow patients to interact with their medications without modification to their current behavior while simultaneously introducing value-add features to reduce patient and caregiver confusion around medication adherence. The medication appliance is connected to Relay's cloud system and caregivers are being reported about the patient's medication consumption via dedicated app (developed for both Android and IOS operating systems) or email.

The medication appliance has unique offerings to the growing Telemedicine market and will allow physicians to view medication adherence issues of patients and recommend on medication protocol changes.

Relay's team is approaching drugs clinical trials companies with the digital label technologies that were developed by Relay to support the growing market of digitizing clinical studies for better compliance with clinical protocols.

The Company is commencing user studies to test the in-home countertop medication appliance prototype. The study has been designed to evaluate how a central appliance in the medication experience can have positive effects on adherence to treatment protocols and add value to the interaction between patient and patient's remote caregiver. The studies are focused around the needs of patients and their care circle and so far the company has gained a lot of knowledge about user behavior that led to prototype improvements.

The Company sold to Glow LifeTech Ltd. a suite of technology assets and licenses related to the UXD acquisition. Relay continues to have have rights to the use of these assets and sees future value from the development and application of these technologies to its product portfolio as well as benefiting as a major shareholder of Glow from the advances Glow makes.

Relay MedNet

In July 2019, the Company acquired the rights to a medical-grade cloud software platform that offers healthcare IT solutions for decentralized and mobile settings across the continuum of care, globally. The company will continue to assess the potential of this platform in 2020.

Glow Lifetech Ltd

On April 3, 2019, Relay and another party formed a private company, Glow Lifetech Ltd. Relay contributed a suite of technology assets to Glow relating to the development and licensing of cannabis related medical technologies for consideration of 6,250,000 common shares of Glow. The other party contributed $200,000 in cash for consideration of 3,750,000 common shares of Glow. As a result, Relay held approximately 62.5% of Gllow. Relay will provide techno-commercial leadership and support for the venture that is pursuing technology opportunities in the medicinal cannabis, agrotechnology and other related industries. In order to successfully commercialize/productize technologies and create significant sustainable value it is necessary to establish efficient working processes and an infrastructure that supports the team and operations required to execute. Through Glow, Relay now has the team and resources required to unlock that value and execute on its strategy in a meaningful way.

Highlights for the three months ended June 30, 2020 and Significant Subsequent Events

On April 8, 2020, the Company announced further updates on cybersecurity protection on its HemoPalm Corp. devices and the collaboration with world-class cybersecurity company Cybeats Technologies Inc. While the interconnectivity of medical devices like the HemoPalm has the potential to greatly improve patient care and system efficiencies, there is also an increased risk of security breaches that could impact not only the safety and effectiveness of devices, but also breach patient privacy or access an institution's local network. Relay Medical is pleased to report on a collaboration with Internet of Medical Things (IoMT) cybersecurity company Cybeats Technologies Inc. to establish protection, monitoring and auditing of cybersecurity for the HemoPalm device suite. The Cybeats Sentinel has been incorporated into the core system of the HemoPalm-CX prototype devices and provides them with cyber threat screening and defense in-depth.

In early March, Relay Medical announced the signing of an agreement whereby Glow LifeTech Ltd. would acquire the exclusive North American rights for the manufacturing and sales of MyCell InsideTM advanced encapsulation technology (the "Technology") from Swiss PharmaCan AG for cannabinoids and select nutraceuticals. As Glow, the companies will maintain an ongoing, collaborative working relationship, providing support with ongoing studies, regulatory approvals and access to a pipeline of future product innovations. The technology allows Glow to formulate cannabinoids and nutraceuticals with dramatically improved absorption, fast-acting onset, precise dosing and superior health benefits, using all-natural ingredients, to meet the growing demands for next generation value-add products. Glow LifeTech's initial focus is to bring the technology's most popular, natural, and relevant enhanced bio-active vitamins, supplements, and cannabis compounds to the North American marketplace. Glow will offer pure and hybrid products as part of commercialization efforts, subject to relevant legal and regulatory requirements in applicable jurisdictions.

On April 27, 2020 – the Company announced the appointment of Marketing Executive Rob Carducci as Chief Commercial Officer (CCO) of Glow LifeTech Ltd. Mr. Carducci's appointment takes effect immediately. Robert Carducci is a seasoned marketing executive with over a decade of leadership experience building iconic global brands including Delissio, Drumstick, Smarties and KitKat. Most recently Rob served as Marketing Director for the largest cannabis information website in the world Leafly.com, owned by Leafly Holdings, Inc.

On May 5, 2020 Relay announced update on the development and commercialization activities related to its wholly owned PharmatracTM Medication System.

Highlights

- User Studies - Cliantha Research engaged to support next phase of Pharmatrac user studies
- 3D Gestures - Relay completes proof-of-principle prototype with motion sensing ability to identify when a medication is taken
- Website Launch - The Company has launched dedicated www.Pharmatrac.ca website to drive commercial activities and user studies
- Intellectual Property - Relay files trademarks for Pharmatrac use
- Market - Global transition toward deregulation and funding of telemedicine market offers additional opportunity in sector

On August 19, 2020, Relay announced the establishment of a joint venture ("JV") to accelerate adaption and delivery of Fio's proven data-and-device platform, Fionet, as a COVID-19 pandemic testing, data collection and reporting solution. The JV will operate under the name "Fionet Rapid Response Group" and be headquartered in Toronto, Canada. Relay and Fio previously announced the signing of a Memorandum of Understanding May 15, 2020.vvThe Fionet Rapid Response Group will enable mass distributed testing and automated aggregation, triage, and tracking to contain COVID-19, for deployment by public health agencies, retail health providers and private sector companies in Canada, the United States, Europe, Africa, and elsewhere. The combined capabilities of the JV significantly strengthens Fio's ability to rapidly advance and pursue commercial opportunities related to its technology, which has been proven on more than one million cases in over a dozen countries for managing community-based RDT testing, triage, and tracking outbreaks of high-consequence infectious diseases, such as malaria, HIV, dengue, and Ebola, and has been further validated by several dozen publications in scientific journals.

On August 27, 2020 the Company announced the commencement of operations of the Fionet Rapid Response Group (“FRR”) to bring a new COVID-19 mobile testing and tracking platform to market. FRR is now in negotiation for trial deployments with several potential partners. Relay and Fio previously announced a joint venture on August 19, 2020 to rapidly launch and deploy a new COVID-19 testing, data collection and reporting solution. The JV operates under the name “Fionet Rapid Response Group” and is headquartered in Toronto. Fionet is a mobile testing and tracking platform specifically developed for controlled, rapid response to pandemics. The platform combines handheld devices linked to online AI-powered cloud, automating frontline testing and capturing test results for tracking. Fionet’s rugged, mobile devices are compatible with multiple third-party antigen and antibody COVID-19 rapid diagnostic tests (RDTs), which creates sourcing flexibility for RDTs which are of limited supply and continuously evolving. Fionet also connects with molecular testing devices such as PCRs.

Highlights for the three months ended March 31, 2020

Relay announced the signing of an agreement whereby its partially owned subsidiary Glow LifeTech Ltd. would acquire the exclusive North American rights for the manufacturing and sales of MyCell InsideTM advanced encapsulation technology from Swiss PharmaCan AG for cannabinoids and select nutraceuticals. The initial product line will include curcumin, Immune Boost C-O-C (curcumin-olibanum-vitamin-C), cannabidiol (CBD) and other cannabis products and iron.

The Company announced the Pharmatrac Countertop Medication Device that is being developed to offer sophisticated solutions to improve medication management for patients, caregivers and other stakeholders in the healthcare environment. The system operates on a robust data-analytics driven software infrastructure with multiple user-facing smart hardware devices designed to bridge gaps in the consumer-medication- practitioner chain. The Pharmatrac Countertop Device uses machine learning and AI to count and identify medications that are clustered in the device prior to consumption by the patient to track medication use for caregivers, practitioners and patients. In connection with the device a patent entitled Clustering Station, System, and Method for Alert Scheduling, for its Pharmatrac System has been filed. The patent is now pending in 153 countries and regions around the world. The patent's main claims cover the Pharmatrac System's counter-top medication device that has been designed to allow patients to interact with medications with minimal modification to their current behavior and simultaneously introduce value-add features to reduce patient and caregiver confusion around medication adherence.

The Company announced the completion of the HemoPalm-CXTM, a proof-of-principle prototype compact POCT instrument that directly measures five CO-oximetry components from human whole blood. The system uses proprietary optics and data analysis technology developed by the Company's HemoPalm diagnostics division. Relay's HemoPalm-CX technology enables the direct measurement of unprocessed whole blood, without the need for red blood cell hemolysis as found in some larger benchtop systems (and not available in current handheld devices). The technology features a compact optical system, single-use sample cartridges, and cloud connectivity. The cartridges are designed for cost-effective high-volume manufacturing, have a long shelf-life, and can be stored at room temperature. In connection with the completion of the HemoPalm-CXTM the Company filed a provisional patent entitled Precision Optical Chambers Device, System, and Method of Manufacturing Same, for its HemoPalm-CX Point-of- Care Testing (POCT) CO-Oximetry device. The patent's main claims cover the single-use blood sample cuvette designed to be used with the HemoPalm-CX. The patent describes a precise and inexpensive method for producing an optical cavity for the purpose of making accurate spectrophotometric measurements on samples of human whole blood. The design solves the problem of manufacturing consistent optical chambers with very short path length, within an inexpensive disposable diagnostic cartridge and/or cuvette. The cartridge is designed for manufacturing at high volume, as well as for ease-of-use in point-of-care testing environments.
On March 5, 2020 the Company announced the development of an application programing interface (API) for its Pharmatrac Medication Management System. With this development the Company is now poised for strategic integration with partners in the telemedicine and medication management markets. The Pharmatrac API allows 3rd party mobile apps, devices and services to connect to the Medication Management System, and query for data and insights generated by Relay Medical's artificial intelligence (AI) driven algorithms. With this advancement the Company is now able to integrate its technologies with strategic partners for value added applications and

the commercialization of Pharmatrac devices including the Countertop Medication Device. Relay Medical is now ready for API integration testing with partners and the API continues to be updated as development progresses.

Highlights for the three months ended December 31, 2019

On October 25, 2019, the Company announced that it extended the expiry date of an aggregate of 7,370,500 previously issued warrants at an exercise price of $0.30 for an additional twelve months, expiring November 20, 2020. The exercise price of the Warrants will remain unchanged.

On January 7, 2020, Relay announced that a patent has been officially granted by the Chinese patent authority as patent number CN106716137B with an expiry date of May 20, 2035. This new patent continues to expand the broad reach of Relay's intellectual property portfolio for its HemoPalm Analysis Platform in a rapidly advancing market for healthcare technologies

On January 29, 2020, the Company announced that the Company completed a financing of $945,000 through the issuance of secured convertible debentures. The Debentures will mature on the first anniversary of issuance and bear interest at a rate of ten percent (10%) per annum which shall accrue from the date the Debentures are issued until the Maturity Date. Each Debenture shall be convertible into common shares in the capital of the Company at a price of $0.18 per Common Share. The lender will also receive a half of a Common Share purchase warrant (each, a “Debenture Warrant”) for each $0.18 principal amount of the Debentures, resulting in an aggregate of 2,625,001 Debenture Warrants being issued. Each Debenture Warrant will entitle the holder to acquire one Common Share at an exercise price of $0.23 per Common Share for a period of two years from the date of issuance. In connection with the Offering, certain shareholders of the Company agreed to loan 5,250,000 free-trading Common Shares to the holders of the Debentures, in exchange for a half of a Common Share purchase warrant (each whole warrant, a “Warrant”) for each Common Share. Each whole Warrant will entitle the holder to acquire one Common Share at an exercise price of $0.20 per Common Share for a period of two years from the date of issuance. In connection to the Offering, finder’s fees were paid equal to 8% of the proceeds raised and an aggregate of 420,000 finder warrants (the “Finder Warrants”) were issued to the Finder, each Finder Warrant entitling the holder to acquire one Common Shares at an exercise price of $0.18 per Common Share for a period of two years from the date of issuance.

On February 18, 2020, the Company announced the Pharmatrac Countertop Medication Device. The Countertop Device concept was initially conceived following the completion of user studies conducted to understand how patients interact with long term and acute-use medications in the home. The studies found that users tend to pre-cluster medication, either in a cup, bowl, hand, or on a countertop or placemat, regardless of how the medications and supplements are stored and organized. The Pharmatrac Countertop Device uses machine learning and AI to count and identify medications that are clustered in the device prior to consumption by the patient to track medication use for caregivers, practitioners and patients. The ability to view/monitor when and what medications are taken provides unique insight into a previously unknown aspect of medication adherence: the behaviour of medication users inside their homes.

On February 20, 2020, Relay announce the filing of a patent entitled Clustering Station, System, and Method for Alert Scheduling, for its Pharmatrac System. The patent is now pending in 153 countries and regions around the world. The patent's main claims cover the Pharmatrac

System's counter-top medication device that has been designed to allow patients to interact with medications with minimal modification to their current behavior and simultaneously introduce value-add features to reduce patient and caregiver confusion around medication adherence.

On February 25, 2020, the Company announced the completion of the HemoPalm-CX™, a proof-of-principle prototype compact POCT instrument that directly measures five CO-oximetry components from human whole blood. The system uses proprietary optics and data analysis technology developed by the Company's HemoPalm diagnostics division. Relay's HemoPalm-CX technology enables the direct measurement of unprocessed whole blood, without the need for red blood cell hemolysis as found in some larger benchtop systems (and not available in current handheld devices). The technology features a compact optical system, single-use sample cartridges, and cloud connectivity. The cartridges are designed for cost-effective high-volume manufacturing, have a long shelf-life, and can be stored at room temperature. Operation is quick and simple, conducting a full CO-oximetry panel of tests on whole human blood in seconds,

On February 27, 2020, Relay announced the filing of a provisional patent entitled Precision Optical Chambers Device, System, and Method of Manufacturing Same, for its HemoPalm-CX Point-of-Care Testing (POCT) CO-Oximetry device. The patent's main claims cover the single-use blood sample cuvette designed to be used with the HemoPalm-CX. The patent describes a precise and inexpensive method for producing an optical cavity for the purpose of making accurate spectrophotometric measurements on samples of human whole blood. The design solves the problem of manufacturing consistent optical chambers with very short path length, within an inexpensive disposable diagnostic cartridge and/or cuvette. The cartridge is designed for manufacturing at high volume, as well as for ease-of-use in point-of-care testing environments. The design features direct coupling to common sample syringes and a tube insert to ensure representative sampling. China offers a large rapidly advancing market, an aging population, a developing health care system and an ability to quickly adopt new healthcare technologies. Relay Medical plans to continue actively exploring opportunities in China for jointdevelopment of medical devices tailored to the Chinese healthcare market. In order to support development activities in China, Relay Medical has released a HemoPalm website in Mandarin (https://www.hemopalm.com/mandarin). To view the content in English, please visit the Relay Medical Website at www.relaymedical.com/hemopalm-corp.

Highlights for the twelve months ended September 30, 2019

On April 1, 2019 the Company announced the appointment of Messrs. Sid Thomas, Medhanie Tekeste and Greg Van Staveren to the Company’s Board of Directors and the resignations of George Langdon, Richard Janeczko and W.Clark Kent. Mr. Kent will continue in his existing executive role with the Company.

On April 3, 2019, Relay and another party acquired a private company, Glow LifeTech Ltd. (Glow). Prior to acquisition, the President of the Company was the sole shareholder of Glow. As consideration for the common shares in Glow, Relay transferred a suite of technology assets to Glow for 6,250,000 common shares. The transferred assets were acquired from the UXD transaction (note 6). The other party contributed $200,000 in cash for 3,750,000 common shares in Glow.

On April 4, 2019 the Company and another party announced the execution of a binding letter of intent (“LOI”) to bring Glow LifeTech Ltd., the cannabis technology joint venture, public by way of reverse takeover. The LOI is to be followed by a formal definitive agreement with Ateba

Resources Inc. whereby Ateba will acquire all the securities of Glow by way of a share exchange, amalgamation or other transaction, subject to the terms and conditions of the LOI. Pursuant to the terms of the Proposed Transaction, Ateba will change its name to Glow LifeTech Corp. As a result of the Proposed Transaction, Ateba will continue on with the business of Glow. Glow is responsible for a termination fee of $100,000 in the event Glow breaches the terms of the LOI.

On May 14, 2019 the Company reported on technical advances of the Company's enhanced HemoPalm point-of-care (POC) testing platform as detailed above.

On May 16, 2019 the Company reported on Pharmatrac development activities and the commencement of a user study on the Pharmatrac in-home countertop medication appliance as detailed above.

On May 17, 2019 the Company closed a non-brokered private placement financing (the "Offering") for gross proceeds of $1,532,500 through the issuance of 7,662,500 Units (each,a "Unit") at a price of $0.20 per unit. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a " Warrant"). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.30 on or before November 17, 2020.

On June 27, 2019, the Company reported on extensions to the Pharmatrac platform to address the challenge of tracking expensive medications that are compromised if not properly stored, the accommodation of alternate packaging such as blister packs and the completion of a Pharmatrac Plug 'n' Play (PnP) prototype.

On July 2, 2019, the Company announced the acquisition of rights to a medical-grade cloud software platform, from Fio Corporation, which develops sophisticated healthcare IT solutions for decentralized and mobile settings. The software, to be marketed as Relay MedNet, has been acquired for an upfront cash payment of $80.000 and a royalty to be paid on sales by Relay.

On August 9, 2019 the Company completed the second tranche of the private placement financing (the "Offering") for gross proceeds of $542,000 through the issuance of 2,710,000 Units (each, a "Unit") at a price of $0.20 per unit. The aggregate gross proceeds raised pursuant to the first and second tranches of the Offering was $2,074,500 through the issuance of 10,372,500 Units. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a "Warrant"). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.30 on or before February 9, 2021. Gross proceeds raised from the Offering will be used for working capital and general corporate purposes. Certain eligible persons (the "Finders") were paid a cash commission equal to 8% of the proceeds raised from subscribers introduced to the Company by such Finder and also issued an aggregate of 68,800 finder warrants (the "Finder Warrants") to Finders, each Finder Warrant entitling the holder to acquire one Unit at a price of $0.20 for a period of eighteen months from the date of issuance.

On September 17, 2019 the Company announced the creation of Osprey Device Networks Corp. a wholly-owned subsidiary of the Company to commercialize products and services related to the management of decentralized fleets of medical devices and the data streams they produce.

On September 23, 2019 the Company announced the expansion of the Company's HemoPalm IP into a multi-product family, to accelerate the development and commercialization activities related to the expanded HemoPalm product offerings as well as further innovations of the Company's IVD division.

On October 25, 2019 the Company, announced that it extended the expiry date of an aggregate of 7,370,500 previously issued warrants at an exercise price of $0.30 for an additional twelve (12) months. The exercise price of the Warrants will remain unchanged.

Acquisitions

On May 23, 2018, the Company announced its first acquisition under its expanded business model. Relay acquired all of the issued and outstanding shares of UX Data Sciences Corp. Relay acquired UXD by the issuance of 15,280,139 common shares of the Company to the (now former) shareholders of UXD.

On March 21, 2019, Relay and another party formed a private company, Glow Lifetech Ltd. Relay contributed a suite of technology assets to Glow relating to the development and licensing of cannabis related medical technologies including the cannabis Smart Consumption System for consideration of 6,250,000 common shares of Glow. The other party contributed $200,000 in cash for consideration of 3,750,000 common shares of Glow. As a result, Relay held approximately 62.5% of Glow. On June 10, 2019., Glow LifeTech Ltd completed a private placement for gross proceeds of $1,200,190 through the issuance of 6,000,950 common shares priced at $0.20 per share. As a result, Relay's ownership stake in Glow was reduced from 62.5% to 39.1%. Relay will provide techno-commercial leadership and support for the venture that is pursuing technology opportunities in the medicinal cannabis, agrotechnology and other related industries.

Funding

The Company's operations were funded by the following;

On May 29, 2020 the Company announced the closing of a non-brokered private placement financing (the "Offering") of gross proceeds of $639,500 through the issuance of 3,522,777 Units (each, a "Unit") at a price of $0.18 per Unit. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a " Warrant"). Each Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.20 on or before May 29, 2022. Gross proceeds raised from the Offering will be used for working capital and general corporate purposes. The securities issued upon closing of the Offering are subject to a hold period until September 30, 2020, pursuant to applicable securities laws.

On January 29, 2020, the Company announced that the Company completed a financing of $945,000 through the issuance of secured convertible debentures. The Debentures will mature on the first anniversary of issuance and bear interest at a rate of ten percent (10%) per annum which shall accrue from the date the Debentures are issued until the Maturity Date. Each Debenture shall be convertible into common shares in the capital of the Company at a price of $0.18 per Common Share. The lender will also receive a half of a Common Share purchase warrant (each, a "Debenture Warrant") for each $0.18 principal amount of the Debentures,

resulting in an aggregate of 2,625,001 Debenture Warrants being issued. Each Debenture Warrant will entitle the holder to acquire one Common Share at an exercise price of $0.23 per Common Share for a period of two years from the date of issuance. In connection with the Offering, certain shareholders of the Company agreed to loan 5,250,000 free-trading Common Shares to the holders of the Debentures, in exchange for a half of a Common Share purchase warrant (each whole warrant, a "Warrant") for each Common Share. Each whole Warrant will entitle the holder to acquire one Common Share at an exercise price of $0.20 per Common Share for a period of two years from the date of issuance. In connection to the Offering, finder's fees were paid equal to 8% of the proceeds raised and an aggregate of 420,000 finder warrants (the "Finder Warrants") were issued to the Finder, each Finder Warrant entitling the holder to acquire one Common Shares at an exercise price of $0.18 per Common Share for a period of two years from the date of issuance.

On August 9, 2019 the Company completed the second tranche of the private placement financing (the "Offering") for gross proceeds of $542,000 through the issuance of 2,710,000 Units (each, a "Unit") at a price of $0.20 per unit. The aggregate gross proceeds raised pursuant to the first and second tranches of the Offering was $2,074,500 through the issuance of 10,372,500 Units. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a "Warrant"). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.30 on or before February 9, 2021. Gross proceeds raised from the Offering will be used for working capital and general corporate purposes. Certain eligible persons (the "Finders") were paid a cash commission equal to 8% of the proceeds raised from subscribers introduced to the Company by such Finder and also issued an aggregate of 68,800 finder warrants (the "Finder Warrants") to Finders, each Finder Warrant entitling the holder to acquire one Unit at a price of $0.20 for a period of eighteen months from the date of issuance.

On May 17, 2019 the Company closed a non-brokered private placement financing (the "Offering") for gross proceeds of $1,532,500 through the issuance of 7,662,500 Units (each a "Unit") at a price of $0.20 per unit. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a "Warrant"). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.30 on or before November 17, 2020. Certain eligible persons were paid a cash commission totaling $18,640 equal to 8 per cent of the proceeds raised from subscribers introduced to the company by such finders and the company also issued an aggregate of 93,200 finder warrants to finders, each finder warrant entitling the holder to acquire one unit at a price of 20 cents for a period of 18 months from the date of issuance.

On November 20, 2017, the Company closed a non-brokered private placement of 7,570,500 units at a price of $0.20 per unit for aggregate gross proceeds of $1,514,100. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share at a price of $0.30 for a period of two years. Certain eligible persons were paid a cash commission equal to 8% of the proceeds raised from subscribers introduced to the Company by such persons, totaling $39,538. Finders were also issued an aggregate of 197,640 broker warrants equal to 8% of the securities purchased by such subscribers. Each broker warrant entitles the holder thereof to purchase one common share at a price of $0.20 for a period of two years.

On August 3, 2018 the Company announced the issuance of 9,787,828 units for aggregate gross proceeds of $2,251,200. Each Unit is comprised of: (i) one common share in the capital of the Company (a "Common Share"); (ii) one-half (1/2) of one Common Share purchase warrant (each whole such warrant a "A Warrant"); and (iii) one-half (1/2) of one Common Share purchase warrant (each whole such warrant a " B Warrant"). Each whole A Warrant entitles the holder to purchase one additional Common Share at a price of $0.40 until February 3, 2020, and each whole B Warrant entitles the holder to purchase one additional Common Share at a price of $0.50 until February 3, 2020. Certain eligible persons (the "Finders") were paid a cash commission equal to 8% of the proceeds raised from subscribers introduced to the Company by such Finder, totaling $31,924. Finders were also issued an aggregate of 138,800 finder warrants (the "Finder Warrants") to Finders, each Finder Warrant entitling the holder to acquire one Unit at a price of $0.23 for a period of eighteen months from the date of issuance.

Selected Quarterly and Annual Information

The following table sets forth selected financial information for Relay Medical Corp. for the three and nine months ended June 30, 2020. This information has been derived from the Company's financial statements for the years and should be read in conjunction with financial statement and the notes thereto.

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the nine months ended June 30, 2020	For the nine months ended June 30, 2019
Expenses	1,479,959	1,472,137	5,337,911	4,029,096
Loss for the period	(1,479,959)	(1,472,137)	(5,337,911)	(4,029,096)
Loss per share	(0.01)	(0.02)	(0.04)	(0.04)
Total assets	2,013,191	4,853,819	2,013,191	4,853,819
Total Liabilities	1,968,730	438,357	438,381	438,357
Working capital	(23,870)	754,502	(23,870)	754,502

The following table sets forth selected financial information for Relay Medical Corp. for the years ended September 30, 2019, 2018 and 2017. This information has been derived from the Company's financial statements for the periods indicated and should be read in conjunction with audited financial statement and the notes thereto.

	Year Ended 30-Sep-19	**Year Ended 30-Sep-18**	**Year Ended 30-Sep-17**	**Year Ended 30-Sep-16**
Loss before non-operating income	$ 8,091,108	$ 8,104,207	$ 3,880,397	$ 1,755,239
Loss before income taxes	8,091,108	8,104,207	3,880,397	1,755,239
Loss per common share, basic and diluted	(0.07)	(0.09)	(0.06)	(0.03)
Net and comprehensive loss	807,854	8,104,207	3,880,397	1,755,239
Net Loss per Common Share, Basic and Diluted	(0.07)	(0.09)	(0.06)	(0.03)
Weighted average number of shares outstanding	116,746,941	89,887,697	66,683,816	55,292,626
Total assets	2,530,610	7,315,004	2,282,763	2,560,744
Net working capital	(233,576)	(272,784)	424,589	(386,384)

For the three months ended June 30, 2020 and 2019

The net loss for the three months ended June 30, 2020 was $1,479,959 (includes non-cash expenses of $120,414) equal to $0.01 per share (2019 $1,472,137, $0.01 per share).

	Three months ended		
	2020-06-30	**2019-06-30**	**Variance**
Non-cash - Share-based compensation	59,100	-	59,100
Consulting and management fees	127,480	498,555	(371,075)
Salaries and benefits	35,375	331,846	(296,471)
Product research and development costs	923,598	345,570	578,028
Non-cash - Patent amortization expense	28,180	146,689	(118,509)
Shareholder communications and marketing	176,050	76,371	99,679
Office, general and administrative	42,329	229,663	(187,334)
Non-cash - Depreciation	39,828	3,655	36,173
Professional fees	21,805	99,788	(77,983)
Transfer agent and filing fees	12,855	-	12,855
Non-cash Loss on investment in associate	(6,694)	(260,000)	253,306
Interest and accretion	20,052	-	20,052
Net loss and comprehensive loss	**1,479,959**	**1,472,137**	**7,822**

- Share based compensation increased due to the timing and magnitude of stock option grants and the vesting periods associated with past grants and represents a non cash item
- Consulting and management fees decreased due to cost containment efforts
- Salaries and benefits decreased due to cost containment efforts and a reduction in salaried employees.
- Product research and development costs increased due to the increased direct expenses and increased resources both allocated to specific projects compared to the previous period.
- Amortization expense decreased due to the revaluation of some of the intangible assets held at September 30, 2019 and represents a non cash item.
- Shareholder communications and marketing increased in the quarter due to increased marketing efforts in North America and Europe.
- Office, general and administration expense decreased due to cost reduction efforts across the business.
- Depreciation relates to the conversion to IFRS 16 Leases and the depreciation of office and laboratory facilities that were previously charged as rent expense and represents a non cash item.
- Professional fees decreased due to varying levels of patent application, corporate development, fund raising and other activities that can vary greatly quarter to quarter.
- Loss on investment in associate relates to Relay's share of expenses incurred in Glow LifeTech Ltd. which did not in the comparative period and represents a non cash item.
- The increase in interest and accretion relates to the application of IFRS16 – Leases for the current quarter which was not applied to the comparative quarter.

For the nine months ended June 30, 2020 and 2019

The net loss for the nine months ended June 30, 2020 was $5,337,911 (includes $2,194,897 in non-cash charges) equal to $0.04 per share (2019 $4,029,097, $0.04 per share).

	Nine months ended		
	2020-06-30	**2019-06-30**	**Variance**
Non-cash - Share-based compensation	1,575,324	-	1,575,324
Consulting and management fees	845,335	1,128,930	(283,595)
Salaries and benefits	467,740	645,611	(177,871)
Product research and development costs	1,443,533	775,745	667,788
Non-cash - Patent amortization expense	315,790	833,195	(517,405)
Shareholder communications and marketing	316,522	127,997	188,525
Office, general and administrative	124,990	585,236	(460,246)
Non-cash - Depreciation	105,044	8,426	96,618
Professional fees	160,623	183,957	(23,334)
Transfer agent and filing fees	25,372	-	25,372
Non-cash Loss on investment in associate	198,739	(260,000)	458,739
Interest and accretion	58,898	-	58,898
Services to associate expense recovery	(300,000)	-	(300,000)
	5,337,911	**4,029,097**	**1,608,814**

- Share based compensation increased due to the timing and magnitude of stock option grants and the vesting periods associated with past grants and represents a non cash item.
- Consulting and management fees decreased due to cost reduction efforts and focusing on a limited number of higher potential projects.
- Salaries and benefits decreased due to cost containment efforts and a reduction in salaried employees.
- Product research and development costs increased due to the increased direct expenses and increased resources both allocated to specific projects compared to the previous period.
- Amortization expense decreased due to the revaluation of some of the intangible assets held at September 30, 2019 and represents a non cash item.
- Shareholder communications and marketing increased in the quarter due to increased marketing efforts in North America and Europe.
- Office, general and administration expense decreased due to cost reduction efforts across the business.
- Depreciation relates to the conversion to IFRS 16 Leases and the depreciation of office and laboratory facilities that were previously charged as rent expense and represents a non cash item.
- Professional fees were largely unchanged.
- Loss on investment in associate relates to Relay's share of expenses incurred in Glow LifeTech Ltd. and represents a non cash item.
- The increase in interest and accretion relates to the application of IFRS16 – Leases for the current quarter which was not applied to the comparative quarter.

- The expenses recovery from associate relates to the fees charged to Glow LifeTech for items such as rent, management fees and travel costs.

Summary of Quarterly Results

The following table is a summary of selected unaudited financial information for the eight most recent fiscal quarters.

Quarter ended	Income	Net income (loss)	Net income (loss) per share
June 30, 2020	NIL	(1,479,959)	(0.01)
March 31, 2020	NIL	(3,072,657)	(0.02)
December 31, 2019	Nil	(785,295)	(0.01)
September 30, 2019	Nil	(4,062,013)	(0.01)
June 30, 2019	Nil	(1,472,137)	(0.02)
March 31, 2019	Nil	(1,272,537)	(0.02)
December 31, 2018	Nil	(1,284,421)	(0.03)
September 30, 2018	Nil	(2,085,206)	(0.05)
June 30, 2018	Nil	(1,975,027)	(0.02)
March 31, 2018	Nil	(2,279,337)	(0.02)

There can be significant variances in Company's reported loss from quarter to quarter arising from factors that are difficult to anticipate in advance or to predict from past results.

Liquidity

The majority of financing of current operations is achieved by issuing share capital. As at June 30, 2020, the Company had cash of $206,214, receivables of $184,887, and prepaid expenses of $23,410. The Company had accounts payable and accrued liabilities of $304,465. The Company had a working capital deficit of $23,870 as at June 30, 2020.

During the nine months ended June 30, 2020 the Company completed the following equity transaction;;

i. On May 29, 2020 the Company announced the closing of a non-brokered private placement financing (the "Offering") of gross proceeds of $639,500 through the issuance of 3,522,777 Units (each, a "Unit") at a price of $0.18 per Unit. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a " Warrant"). Each Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.20 on or before May 29, 2022. Gross proceeds raised from the Offering will be used for working capital and general corporate purposes. The securities issued upon closing of the Offering are subject to a hold period until September 30, 2020, pursuant to applicable securities laws.

ii. On January 29, 2020, the Company announced that the Company completed a financing of $945,000 through the issuance of secured convertible debentures. The Debentures will mature on the first anniversary of issuance and bear interest at a rate of ten percent (10%) per annum which shall accrue from the date the Debentures are issued until the Maturity Date. Each Debenture shall be convertible into common shares in the capital of the Company at a price of $0.18 per Common Share. The lender will also

receive a half of a Common Share purchase warrant (each, a "Debenture Warrant") for each $0.18 principal amount of the Debentures, resulting in an aggregate of 2,625,001 Debenture Warrants being issued. Each Debenture Warrant will entitle the holder to acquire one Common Share at an exercise price of $0.23 per Common Share for a period of two years from the date of issuance. In connection with the Offering, certain shareholders of the Company agreed to loan 5,250,000 free-trading Common Shares to the holders of the Debentures, in exchange for a half of a Common Share purchase warrant (each whole warrant, a "Warrant") for each Common Share. Each whole Warrant will entitle the holder to acquire one Common Share at an exercise price of $0.20 per Common Share for a period of two years from the date of issuance. In connection to the Offering, finder's fees were paid equal to 8% of the proceeds raised and an aggregate of 420,000 finder warrants (the "Finder Warrants") were issued to the Finder, each Finder Warrant entitling the holder to acquire one Common Shares at an exercise price of $0.18 per Common Share for a period of two years from the date of issuance.

During the twelve months ended September 30, 2019 the Company completed the following equity transactions

iii. On May 17, 2019 the Company closed a non-brokered private placement financing (the "Offering") for gross proceeds of $1,532,500 through the issuance of 7,662,500 Units (each a "Unit") at a price of $0.20 per unit. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a "Warrant"). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.30 on or before November 17, 2020. Certain eligible persons were paid a cash commission totaling $18,640 equal to 8 per cent of the proceeds raised from subscribers introduced to the company by such finders and the company also issued an aggregate of 93,200 finder warrants to finders, each finder warrant entitling the holder to acquire one unit at a price of 20 cents for a period of 18 months from the date of issuance.

iv. On August 9, 2019 the Company completed the second tranche of the private placement financing (the "Offering") for gross proceeds of $542,000 through the issuance of 2,710,000 Units (each, a "Unit") at a price of $0.20 per unit. The aggregate gross proceeds raised pursuant to the first and second tranches of the Offering was $2,074,500 through the issuance of 10,372,500 Units. Each Unit is comprised of: (i) one common share in the capital of the Company (each a "Common Share"); (ii) one Common Share purchase warrant (each, a "Warrant"). Each whole Warrant entitles the holder to purchase one additional Common Share at an exercise price of $0.30 on or before February 9, 2021. Gross proceeds raised from the Offering will be used for working capital and general corporate purposes. Certain eligible persons (the "Finders") were paid a cash commission equal to 8% of the proceeds raised from subscribers introduced to the Company by such Finder and also issued an aggregate of 68,800 finder warrants (the "Finder Warrants") to Finders, each Finder Warrant

entitling the holder to acquire one Unit at a price of $0.20 for a period of eighteen months from the date of issuance.

During the year ended September 30, 2018, the Company completed the following equity transactions;

i. On November 20, 2017, the Company closed a non-brokered private placement of 7,570,500 units at a price of $0.20 per unit for aggregate gross proceeds of $1,514,100. Each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share at a price of $0.30 for a period of two years. Certain eligible persons were paid a cash commission equal to 8% of the proceeds raised from subscribers introduced to the Company by such persons, totaling $39,538. Finders were also issued an aggregate of 197,640 broker warrants equal to 8% of the securities purchased by such subscribers. Each broker warrant entitles the holder thereof to purchase one common share at a price of $0.20 for a period of two years.

ii. On August 3, 2018 the Company announced the issuance of 9,787,828 units at a price of $0.23 for aggregate gross proceeds of $2,251,200. Each Unit is comprised of: (i) one common share in the capital of the Company (a "Common Share"); (ii) one-half (1/2) of one Common Share purchase warrant (each whole such warrant a "A Warrant"); and (iii) one-half (1/2) of one Common Share purchase warrant (each whole such warrant a " B Warrant"). Each whole A Warrant entitles the holder to purchase one additional Common Share at a price of $0.40 until February 3, 2020, and each whole B Warrant entitles the holder to purchase one additional Common Share at a price of $0.50 until February 3, 2020. Certain eligible persons (the "Finders") were paid a cash commission equal to 8% of the proceeds raised from subscribers introduced to the Company by such Finder, totaling $31,924. Finders were also issued an aggregate of 138,800 finder warrants (the "Finder Warrants") to Finders, each Finder Warrant entitling the holder to acquire one Unit at a price of $0.23 for a period of eighteen months from the date of issuance.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

The following is a summary of key management personnel compensation:

	For the nine months ended June 30	
	2020	**2019**
Share based compensation	**1,575,324**	-
Consulting and management fees	**1,101,837**	840,099
$	**2,677,161**	$ 840,099

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements, other than previously disclosed, that has, or is reasonably likely to have, an impact on the current or future results of operations or the financial condition of our company.

Recently Adopted Accounting Pronouncements

The Company has adopted the following standards for the year ended September 30, 2019;

a. IFRS 9 – Financial Instruments - This standard requires assets to be carried at amortized cost or fair value, with changes in fair value recognized in profit or loss or other comprehensive income, based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. There has been no material effect on the Company's financial statements as a result of the adoption of this standard.
b. IFRS 15 – Revenue from Contracts with Customers – This standard sets out the requirements for recognizing revenue that applies to all contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments. IFRS 15 uses a control-based approach to recognize revenue which is a change from the risk and reward approach under the current standard. The adoption of this standard did not impact the timing or measurement of revenues within the scope of the standard.
c. IFRS 16 – In January 2016, the IASB issued IFRS 16 - Leases ("IFRS 16"), replacing IAS 17 - Leases. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its statement of financial position, providing the reader with greater transparency of an entity's lease obligations.

The Company elected the modified retrospective transition approach, which provides lessees a method for recording existing leases at adoption with no restatement of prior period financial information. Under this approach, a lease liability was recognized at October 1, 2018 in respect of leases previously classified as operating leases, measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at transition. The associated right-of-use assets were measured at amounts equal to the respective lease liabilities, subject to certain adjustments allowed under IFRS 16.

In addition, the Company elected to utilize practical expedients permitted under the transition guidance within the new standard, which among other things, allowed the Company to apply a single discount rate to a portfolio of leases with reasonably similar characteristics, and rely on its assessment as to whether leases are onerous applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review.

Adoption of the new standard at October 1, 2018 resulted in the recording of additional right-of-use assets and lease liabilities of $665,129, related to office space and laboratory.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor

over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Critical Accounting Policies and Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires that management make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and are, but are not limited to, the following:

Share based payments and warrants

The fair value of stock options and warrants issued are subject to the limitation of the Black Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Useful life of intangible assets
Management has exercised their judgment in determining the useful life of its patents, patent applications and research and development costs. The estimate is based on the expected period of benefit of the patent and the expected life of the product in the market place.

(ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are, but are not limited to, the following:

Determination of functional currency
In accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates, management has determined that the functional currency of the Company is the Canadian dollar.

Evaluation of going concern
The preparation of the financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1.

Impairment of intangible assets
Management has exercised their judgment in determining if the patents are impaired. The judgment is based on the expected future benefit of the intangible assets and to meet the requirements of accounting valuation standards.

Income taxes
Management has exercised their judgment in determining the provision for future income taxes. The judgment is based on the Company's current understanding of the tax law as it relates to the transactions and activities entered into by the Company.

Acquisition of an asset or business combination
In accordance with IFRS 3, management has exercised their judgment in determining the acquisition of UX Data Sciences Corp. was considered an asset acquisition as it did not meet the definition of a business.

Risks and Uncertainties

History of Losses – The Company has been in a cumulative net loss position throughout its operating history. The Company's limited operating history makes it difficult to evaluate the future financial prospects of its business. There is no assurance that the Company will grow or be profitable or that the Company will have earnings or significant improvement in its cash flow from operations in the future. The future earnings on and cash flow from operations are dependent on the Company's ability to further develop and sell its products and the Company's operational expenses. Management expects that the Company will continue to have high levels of operating expenses, since the Company needs to make significant up-front expenditures for product development, and corporate development activities. Management anticipates that the operating losses for the Company may continue until such time as the Company consistently generates sufficient revenues to support operations.

Need for Additional Financing - The implementation of the Company's business plan requires significant capital outlays and operating expenditures over the next several years. There can be no assurance that additional financing will be available to the Company when needed, on commercially reasonable terms, or at all. Any inability to obtain additional financing when needed would have a material adverse effect on the Company. Further, any additional equity financing may involve substantial dilution to the Company's then existing shareholders. Debt financing, if available, may involve onerous obligations, monetary or otherwise. If adequate funds are not available, the Company may obtain funds through arrangements with strategic partners or others who may require the Company to relinquish rights to certain technologies, any of which could adversely affect its business, financial condition and results of operations.

Product Risks

Uncertain Demand for Products - Demand for medical technologies is dependent on a number of social, political and economic factors that are beyond the control of the Company. The healthcare industry is likely to continue to change as the public, government, medical practitioners, and the medical industries focus on ways to expand medical coverage while controlling the growth in healthcare costs. While the Company believes that demand for medical technologies will continue to grow, there is no assurance that such demand will exist or that the Companies products will be purchased to satisfy that demand.

Dependence on Development of New Products - New technological or product developments in the medical industry may render the Company's products obsolete or reduce their value. The Company's future prospects are highly dependent on its ability to develop new products - from new technologies and achieve market acceptance. There can be no assurance that the Company will be successful in these efforts.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company has reduced its credit risk by investing its cash equivalents with Canadian chartered banks.

Disclosure Controls and Procedures & Internal Controls over Financial Reporting

In accordance with the Canadian Securities Administrators National Instrument 52-109 ("NI 52-109"), Certification of Disclosure in Issuers' Annual and Interim Filings, the Company has filed certificates signed by the Chief Executive Officer and the Chief Financial Officer that, among other things, report on the design and effectiveness of disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

The Company continues to review and document its disclosure controls and procedures and internal controls over financial reporting and may, from time to time, make changes aimed at enhancing their effectiveness and to ensure that its systems evolve with the business. There were no changes in the Company's internal controls over financial reporting during the three months ended December 31, 2019 that have materially affected, or are reasonably likely to materially affect, its disclosure controls and procedures and internal controls over financial reporting.

Share Data

As at June 30, 2020 there were 135,790,438 shares issued and outstanding and 27,127,777 warrants outstanding and 25,109,500 options outstanding.

As at August 31, 2020, there were 135,790,438 shares issued and outstanding and 27,127,777 warrants outstanding and 28,909,500 options outstanding

"Yoav Raiter"
Chief Executive Officer
August 31, 2020