MOUNTAIN VALLEY MD HOLDINGS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED DECEMBER 31, 2021

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

The information presented in this Management's Discussion and Analysis ("MD&A") contains statements with respect to Mountain Valley MD Holdings Inc. ("Company") concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, "forward–looking statements" or "forward-looking information" (collectively "forward-looking statements") as those terms are used in securities laws applicable in Canada

These forward-looking statements include, but are not limited to, factors that may affect our ability to achieve our objectives and to successfully develop and commercialize our assets, including but not limited to the Company's intellectual property assets. Such forward–looking statements include but are not limited to those with respect to: the ability to advance the Company's business plan effectively generally and in particular during the COVID-19 pandemic; the impact of short selling activity on the Company's ability to advance its objectives, attract and retain directors, officers, advisors and other personnel, and the ability to complete financing as and when need for general working capital and to satisfy the Company's objectives; the ability to keep pace with developments in similar industries and remain competitive; the reliance on third party suppliers and service providers, including contract research organizations (CROs); the ability to protect and enforce intellectual property and related rights, including but not limited to patents, trademarks and trade secrets; the ability to manage human resources effectively and the retention of skilled management and personnel; the ability to manage key suppliers effectively; the ability to test and implement MVMD's proprietary technologies, the variety of health and wellness applications, and impact thereof; the ability to navigate regulatory requirements and regimes in a timely and cost-effective manner or at all; and events described in this MD&A, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward–looking statements.

The reader should verify all claims and do their own due diligence before investing in any securities mentioned or implied in this document. Investing in securities is speculative and carries a high degree of risk.

These statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and we do not undertake any obligation to update forward-looking statements should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by law.

The Company is not making any express or implied claims that its product(s) or intended product(s) has or have the ability to eliminate, cure or contain any virus, ailment or other medical condition, including but not limited to COVID-19 (or SARS-2 Coronavirus).

Management Discussion and Analysis

This Management Discussion and Analysis ("MD&A") have been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1 – *Management Discussion and Analysis*, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations.* It is intended to help the reader understand the Company's financial statements. The statements are provided for the purpose of reviewing the interim financial statements for the nine months ended December 31, 2021 and comparing results to the previous period. The MD&A should be read in conjunction with the Company's audited consolidated financial statements and corresponding notes for the fiscal years ending March 31, 2021, and 2020 and the unaudited interim consolidated financial statements for the three months ended March 31, 2021. As described in note 23 to the audited financial statements for the years ended March 31, 2021, and 2020, certain comparative period information presented as at and for the year ended March 31, 2020 was restated. The comparative period information presented in this MD&A, including the summary of quarterly results, has also been restated to reflect the correction of these errors.

The results for the nine-month period ended December 31, 2021, are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at February 28, 2022 unless otherwise indicated.

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as applicable to the preparation of interim financial statements, including International Accounting Standard IAS 34, Interim Reporting. All monetary amounts are expressed in Canadian dollars.

The following comments may contain management estimates of anticipated future trends, activities, or results. These are not a guarantee of future performance, since actual results could change based on other factors and variables beyond management control.

The management of the Company 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 board of directors of the Company follow recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders.

The audit committee of the Company meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

The reader is encouraged to review the Company's statutory filings on www.sedar.com.

BUSINESS OVERVIEW

Company Purpose and Mission: The Company operates under the overarching purpose of **"More Life**", with the belief that every human, husbandry and companion animal, no matter who they are or where they live, deserves to lead their best life, free from the tragedies of disease. The Company's mission is to solve some of the world's leading health and wellness problems through novel innovations that improve the administration, efficacy and safety of new and existing medicines, therapies, and nutraceuticals.

Formation and Company Details: MVMD was incorporated under the *Business Corporations Act* (British Columbia) on March 8, 2005. The Company is a publicly traded health and wellness company that currently trades on the CSE under the symbol "MVMD.CN" and on the OTCQX Best Market ("OTCQX") under the symbol "MVMDF." The Company has one subsidiary, Mountain Valley MD Inc., which has two wholly owned subsidiaries: Colverde MD S.A.S, a corporation incorporated under the laws of the Republic of Colombia on February 20, 2018; and MVMD (Colombia) Inc., a corporation incorporated under the laws of the province of Ontario on April 11, 2019. The address of the Company's head office and principal place of business is 260 Edgeley Boulevard, Unit 4, Concord, Ontario, Canada, L4K 3Y4.

Strategic Intent: The Company's strategic intent is to develop, implement and license key molecules and technologies to global pharmaceutical, vaccine and nutraceutical partners: currently a) patented Quicksome™ drug formulation and delivery technology, b) patented Quicksol™ solubility formulation and delivery technology, and, c) patent-pending dose sparing adjuvant technology. The Company's plan and current activities are to explore and evaluate the most feasible avenues for the further development and commercialization of its intellectual property assets, which are further described below. Although management anticipates that the most likely primary path for the Company will be to develop the assets with a view to entering into licensing or similar agreements rather than MVMD becoming the manufacturer of all products that may result from the assets, MVMD has also taken measures to secure relationships with third party manufacturers to allow the Company to assist potential licensees or similar entities with their production requirements and to fulfil direct-to-market and reseller orders in the future.

Intellectual Property: The Company acquired a portfolio of intellectual property assets, including patents, trademarks and trade secrets, in December 2019, from a private corporation owned in part by the inventor of the assets. Concurrently with the acquisition, the inventor was engaged as a consultant to assist in the transition of the intellectual property assets and drive novel science invention and development. The Company extensively protects its trade secrets and formulations, maintains its patent portfolio, and extensions, and anticipates ongoing filings to continue to protect its intellectual property which it believes is the core of its value proposition for future licensing agreements.

The Company's recent patent and trademark filings can be found in the Intellectual Property Developments section further down in this MD&A.

Technology and Products:

The Company's primary technologies are being developed to improve the administration, efficacy and safety of new and existing medicines, therapies, and nutraceuticals.

- The Company's Quicksome™ desiccation technology utilizes advanced liposomes and other stabilizing molecules to encapsulate and formulate active ingredients into highly efficient product formats that are delivered sublingually or that could be applied to novel applications to address cold chain distribution challenges. The result is a new generation of product formulations that, if successfully commercialized, could enable new supply chain methods and enhance efficacy and safety of vaccines, drugs and nutraceuticals.

- The Company's patented Quicksol™ technology covers the macrocyclic lactone class of anti-parasitic drugs, where proprietary solubilization techniques that use no harmful organic solvents have been initially applied to the drugs Ivermectin and Selamectin, that, if successful in pre-clinical

trials, could be effectively applied in oncology and multiple anti-viral and anti-parasitic applications that could positively impact human and animal health globally.

- The Company's Patent-Pending Porous Aluminum Nanostructure Adjuvant ("PANA") technology has high surface area for vaccine-antigen binding that the Company believes may provide vaccine dose sparing advantages with long-term stability in aqueous media, and greater stability in harsh environments.

- In addition to the new technologies the Company has been developing, the Company has coordinated the production of Ivectol™, which is the Company's brand of the generic drug ivermectin. Ivermectin is a well-documented drug used globally to treat parasite infestations in humans, as well as animals. During its research and development work with its novel solubilized ivermectin format, management identified a demand for the generic form of the drug as a result of shortages and limited accessibility.

Research and Development – Significant Projects: The Company is working on numerous research and development projects with the intention of researching, evaluating, and where feasible upon sufficient results, developing with the intention to license and commercialize, various applications for its technology. See the section titled "Operational Overview – Nine Months Ended December 31, 2021" for details on the Company's key projects.

Licensing Agreements: To date, the Company has entered into two licensing agreements for its Quicksome™ technology, one in the functional mushroom industry and one in the cannabis industry.

- In February 2021, the Company entered into a licensing agreement with Circadian Wellness Corp. ("CW"), a privately held Ontario corporation that is focused on the rapidly emerging global mushroom space. The license agreement grants the right to CW to use MVMD's Quicksome™ technology in mushroom nutraceutical products. The agreement provides for payment of product royalties and an initial payment in the amount of $250,000 CAD, made up of $200,000 CAD cash and $50,000 CAD of equity shares in CW. The initial payments are being applied to formulation and product development work.

- In November 2021, the Company entered into a licensing agreement with Red White and Bloom Brands Inc. See section entitled "Operational Overview – Nine Months Ended December 31, 2021" for details.

OPERATIONAL OVERVIEW – NINE MONTHS ENDED DECEMBER 31, 2021 AND SUBSEQUENT

Licensing

Agreement with Red White and Bloom Brands Inc. In November 2021, the Company entered into an agreement with Red White and Bloom Brands Inc. ("RWB"), a publicly traded multi-state cannabis operator and house of premium brands that are available across the cannabis market in the United States. The agreement establishes the terms upon which the Company will develop and license formulas using the Company's Quicksome™ technology and novel cannabinoid solubilization techniques to be applied by RWB to various cannabis product applications. The agreement grants RWB an exclusive 5-year license in Florida, Michigan and California to manufacture and distribute its cannabis products in exchange for the payment of product fees and ongoing sales royalties. The Company has no immediate control of the final in-market product timing or production scale as that is the responsibility of RWB.

Research and Development Work – Significant Projects

Significant projects the Company is working on as at the date of this MD&A are outlined below, however the Company continues to explore potential applications for its technologies, which may result in the addition of new projects, changes to existing projects, or the abandonment of projects which prove not to be feasible. As at the date of this MD&A, management anticipates having sufficient funds to finance the activities set out below, as currently contemplated, as well as excess funds for the current exploration of additional potential projects.

Oncology. The Company's intention is to apply its technology to potential cancer treatments. Preliminary studies have been completed on the application of its technology to murine cell models of triple negative breast cancer, non-small-cell lung cancer, and malignant melanoma. The results of the research conducted presented some noteworthy exploratory findings that have resulted in MVMD expanding its oncology work to explore human cell line tumors with further investigational research studies being executed.

The Company is continuing to expand its relationships with experts in clinical and research focused oncology to pursue advanced understanding of Quicksol™ technology applications across a broad array of cancer types.

In May 2021, the Company announced the filing of a cancer adjuvant patent, **Novel Injectable, Infusable, Instillable Ivermectin Adjuvant for Cancer Therapies** for its solubilized ivermectin (Soluvec™). The current oncology investigational research studies being planned and executed will support the patent application and ongoing discussions the United States Patent and Trademark Office.

Management believes the Company currently has sufficient funds to complete all planned pre-clinical trial studies and anticipates providing updates to the clinical trial program in the second quarter of 2022.

Cold Chain. Cold chain is a temperature-controlled supply chain that prescribes necessary conditions during the transport, storage, and handling of vaccines and drugs until it is administered. The World Health Organization's (WHO) guideline temperature requirements for three defined vaccine management categories*[1] includes traditional cold chain between +2°C and +8°C, Extended Controlled Temperature Conditions (ECTC) above +8°C for a specified number of days to support vaccine distribution, and Controlled Temperature Chain (CTC) where the vaccine must be able to tolerate ambient temperatures of at least +40°C for a minimum of 3 days.

On July 31, 2020, the Company announced its results from a U.S. Food and Drug Administration (FDA) Polio Vaccine Lab evaluation that confirmed the Company had successfully preserved Polio D Antigen in its proprietary Quicksome™ rapid dissolve sublingual technology. In addition to its sublingual cold chain

[1] WHO - The controlled temperature chain, https://www.who.int/immunization/programmes_systems/supply_chain/resources/CTC_FAQ_English_November_2016.pdf

work, the Company studied in the first half of 2021, whether it could apply a thin Quicksome™ desiccated liposome layer of Trivalent Inactivated Poliovirus Vaccine (tIPV) inside a vial for five days of exposure at 40 degrees Celsius and then reconstituted for injection at the point of administration.

Based on the cold chain technology achievements announced in July of 2021, the Company has commenced additional characterization studies with its proprietary Quicksome™ technology to optimize application in the current Trivalent Inactivated Poliovirus Vaccine (tIPV) work and additional vaccines and proteins. The Company believes the technology would allow for long term stability and ease of global distribution, appropriate for pandemic preparedness, and other administration and distribution advantages, including potential sublingual applications that would eliminate the use of needles where desired.

Management believes the Company currently has sufficient funds to complete the necessary cold chain trial studies to validate the technology efficacy and anticipates providing updates early in the second quarter of 2022.

Husbandry Animals. The Company has applied its Quicksol™ technology to the drug ivermectin and believes a more solubilized format versus current in-market products would have novel applications across the broad husbandry animal marketplace.

The Company completed the scheduled husbandry animal trials in Bangladesh in the six months ended September 30, 2021, which were conducted with MVMD's injectable solubilized Ivermectin technology, Soluvec™ 1%. The studies were conducted under the supervision of The People's Republic of Bangladesh's Ministry of Fisheries & Livestock and have informed the requirements for a path to registration and commercialization. Included in those requirements is the need for six months of stability data for GMP manufactured Soluvec™ 1%, which is being completed concurrently with the testing of dosing and formulation across a broad spectrum of animal species. The Company anticipates obtaining the stability data and completing the testing on dosing and formulation around the same time late in the second quarter of 2022. The Company has also commenced its commercialization planning with local partners inside Bangladesh in anticipation of all necessary government approvals for full Soluvec™ 1% manufacturing and product distribution and will update the market in the second quarter of 2022.

The Company has also started exploratory conversations with other animal health organizations and experts around the world, to evaluate the efficacy and safety of Soluvec™1% in additional species, as well as the potential application of MVMD's Quicksome™ based novel cold chain technology to animal vaccines.

Farmed Fish. The Company is working with the Ministry of Fisheries in Bangladesh, which engaged MVMD to evaluate whether a combined application of both its Quicksol™ and Quicksome™ technologies to a novel fish food application would be able to reduce the effect of parasitic infections across a variety of farmed fish species. The Company is working with the Ministry to finalize key protocols in these different species and will complete the trial planning in the first quarter of 2022 and physically conduct the trials in the second quarter of 2022.

Dose Sparing Adjuvant. Adjuvants are well known pharmacological or immunological agents that improve the immune response of a vaccine, which are added to a vaccine to boost the immune response to produce more antibodies and longer-lasting immunity, thus minimizing the dose of antigen needed. The purpose of the Company's PANA process is to produce stable nano-particulate adjuvant with the intention of overcoming certain limitations of traditional aluminum-based adjuvants and allowing for the use of smaller doses of vaccine without a reduced immune response and the delivery of vaccines to a greater population, including those that may have limited to no access.

In partnership with the Tulane University School of Medicine in New Orleans, Louisiana, the Company executed a study comparing an existing Alhydrogel adjuvant to the Company's invented stable nano-particulate adjuvant by both intramuscular injection and intradermal injection immunization. The study evaluated the antibody responses following vaccination with fractional doses of IPV and compared

delivery types with IPV alone or adjuvanted. The evaluation of MVMD's novel aluminum nanoparticle adjuvant from this study demonstrated no toxicity or adverse reactions when combined with tIPV in intramuscular or intradermal injection. However, the initial results were not satisfactory in terms of producing a robust response or desired elevation in the immune response over IPV alone.

The Company continues to work with its key advisors and Tulane University to explore if changes in the adjuvant development and administration may support a positive research outcome. The Company will continue its work through the first half of 2022 to evaluate the impact of these key changes, with respect to IPV and other vaccines, in several models of interest from both a scientific and commercialization standpoint.

Insulin. Management believes that, although there has been significant innovation in recent years in relation to diabetes, insulin remains a cornerstone of treatment and that there is an unmet need in the insulin space, resulting from challenges such as costs, the use of needles, hypoglycemia, and fear of injection. It is the Company's intention to advance its exploration of the application of its technology to the needleless administration of insulin. The Company is currently planning the execution of formulation experiments, to optimize the potential delivery of rapid-acting human insulin in a sublingual format. In addition to the experimental work, the Company is engaging clinical experts in insulin science to support planning of necessary trials. The Company expects to have further information on formulation developments in the second half of 2022.

R&D COVID-19. The Company has explored the application of a solubilized form of ivermectin in the potential treatment of COVID-19. In May 2021 the Company announced the results from its third-party Bio Safety Level 4 ("BSL-4") COVID-19 viral clearance study conducted with its solubilized Ivermectin technology, Soluvec™.

In management's view based on an internal review of publicly available literature, the positive indicators from the BSL-4 trials are consistent in general with other global trials and contribute to evidence for the effect of ivermectin on inhibition of viral replication and the potential application as a treatment for COVID-19. The Company was evaluating joining a human trial in Brazil to test the effectiveness of its solubilized ivermectin in the second quarter of 2021 but made the decision to pause this work due to challenges with the design of the study that had been presented to the Company for its inclusion. Due to the complexity and cost of human ivermectin trials, as well as the global political landscape for approval of treatments for COVID-19, the Company is currently working to evaluate the business case for further studies in humans, with academic and non-academic partnerships. The Company anticipates clarity on the business direction, including necessary budgets, partnerships and a pathway for data generation, in the first half of 2022.

The Company's primary focus, in line with its "cold chain" work, has been on those jurisdictions which may have less access to vaccines and other treatments, where ivermectin has been studied for use in the treatment of COVID-19, and which might benefit from access to a solubilized form of the drug.

Red White & Bloom Brands. As announced in November 2021, the Company has entered into a Product Development and Commercial Licensing Agreement with Red White & Bloom Brands Inc. ("RWB"), a publicly traded multi-state cannabis operator and house of premium brands that are available across the cannabis market in the United States. The Agreement establishes the terms upon which Mountain Valley will develop and license formulas using MVMD's Quicksome™™ technology and novel cannabinoid solubilization techniques to be applied by RWB to various cannabis product applications. The Agreement grants RWB an exclusive 5-year license in Florida, Michigan and California to manufacture and distribute its cannabis products in exchange for the payment of product fees and ongoing sales royalties.

The Company has been working closely with RWB to apply proprietary formulations across a number of branded medical and recreational product lines. The MVMD Quicksome™ sublingual applications, include a proprietary THC-based sleep formulation created for RWB, which is planned to be the initial product that RWB will introduce in the medical sleep market in the United States. The product packaging,

approvals and go-to-market timing, including providing market updates, are the sole responsibility of RWB.

Circadian Wellness. In February 2021, the Company announced it had entered into a commercial license agreement with Circadian Wellness Corp. ("Circadian"), a privately held Ontario corporation that is focused on the rapidly emerging global mushroom space. The agreement with Circadian is based on applying MVMD's Quicksome™ technology to functional mushroom nutraceutical products in consideration of ongoing product royalties and an initial payment in the amount of $250,000 CAD, made up of $200,000 CAD cash and $50,000 CAD of equity shares in Circadian. The initial payment monies are to be applied to formulation, product development and sample development work.

The Company has been working closely with Circadian on proprietary formulations for mushroom-infused products that achieve an increase in overall molecule efficacy with the Company's Quicksome™ desiccated liposome technology applied across a variety of rapid dissolve sublingual and dermal products. Circadian is finalizing its product plans and go-to-market strategy for a broad line of naturally derived mushroom products that the Company's has been advised will be distributed initially in North America and possibly expanded globally in future phases. The initial work includes mushroom infused sublingual sleep and energy products and a hemp-based mushroom pain management cream. Although outside of MVMD's control, it is anticipated that Circadian will be introducing its first consumer products for sale in the United States in the first half of 2022 under its EONS brand.

Tuberculosis. In March of 2021, the Company announced that it had confirmed its ability to create a solubilized Selamectin product using its patented Quicksol™ technology applied to the macrocyclic lactone drug class. In the Company's belief, Selamectin is a highly insoluble molecule with tremendous potential in treating mycobacterium-based infections in humans and animals. At the time of the announcement, MVMD scientists successfully solubilized Selamectin, which it believes to be a critical achievement to allow formulation of different applications.

As a result of the solubilization achievement, MVMD announced that it was finalizing a study framework to apply its novel Selactosol™ 1.5% for preclinical evaluation trials targeting mycobacterium-based infections, namely Tuberculosis. Tuberculosis affects roughly 25% of the world's population and is the leading infectious disease killer in the world, claiming approximately 1.5 million lives each year. The Company has initiated the development of a comprehensive pre-clinical research and development plan with CRO partners to finalize the approach, costs, and timing of required studies.

Production/Products

MVMD has garnered interest in its work with the ivermectin drug molecule and had determined that there is an immediate demand for generic ivermectin while the Company considers its solubilized Soluvec™ human application strategy and its broader husbandry animal strategy. To satisfy current business development discussions and requests for scaled production of ivermectin tablets, MVMD has coordinated pharmaceutical production of its own branded ivermectin product called Ivectol™, which is packaged in a 20-tablet box containing Ivermectin USP 12 mg tablets. The Company is currently working through the necessary steps required to finalize registrations in initial target markets to allow for export, as well as import and sale in approved countries. It is MVMD's intention to engage third parties to manufacture and export (out of the country of manufacture) and import (into the country or countries acquiring for distribution) the Ivectol™ product.

The Company is in final stages of establishing an exclusive North American manufacturing agreement to support the production of nutraceutical products.

Intellectual Property Developments

Patents: On June 24, 2021, the Company announced that the United States Patent Trademark Office (USPTO) had approved the Company's patent application related to its invention of Water Dissolvable Macrocyclic Lactone Cyclodextrin Complexes. The original patent request was filed on November 10,

2020, and an accelerated patent examination request was filed in late December 2020. The accelerated review was supported by data which provided additional formulation analyses of different diluted concentrations of its Quicksol™ ivermectin in solution. This data was fast-tracked by the Company for completion and validation by a third-party CRO.

On February 3, 2022 the Company's patent application titled Preparation of Desiccated Liposomes for Use in Compressible Delivery Systems, was allowed by the U.S. Patent Office. The examiner has rejoined all the Company's claims and considers all the "species" (variants in the claims) to be patentable.

On February 17, 2022, the Company's patent application titled Water Dissolvable Macrocyclic Lactone Cyclodextrin Complexes, was allowed by the U.S. Patent Office under U.S. Patent 17/132,203.

U.S. Patent 11,253,533 for Water Dissolvable Macrocyclic Lactone Cyclodextrin Complexes – matured into patent February 22, 2022 - FEBRUARY 17 - Notice of Allowance - - Water Dissolvable Macrocyclic Lactone Cyclodextrin Complexes.

On February 11, 2022, the Company's patent application titled Topical Solubilized Ivermectin for Inflammatory Skin Conditions, was allowed by the U.S. Patent Office under U.S. Patent 11,235,061. The patent covers a topical solubilized ivermectin pharmaceutical composition for the treatment and/or prevention of inflammatory skin conditions through a lotion or cream or gel base.

On February 15, 2022, the Company submitted a patent application to the U.S. Patent Office (17/671,852) for Cannabinoids Based Pharmaceutical Composition. The patent seeks to protect the Company's proprietary solubilization technique for cannabinoids in conjunction with its Quicksome™ technology. The Company is developing a pain relief cream product that will make use of this potential application.

Trademarks: In November, 2021, the Company filed a trademark application for Soluvec™, which it plans to use in place of its Ivectosol™ trademark.

The Company's Quicksol™ trademark application has received Notice of Allowance from the U.S. Trademark Office on August 17, 2021, under Serial number 90/352,408.

On December 28, 2021, the Company was granted the trademark Ivectol™ from the U.S. Trademark Office.

The Company's "Quicksome™ *Rapid and Powerful"* trademark logo application and the Company's "Quicksome™" trademark application received Notice of Allowance from the U.S. Trademark Office on January 4, 2022, under Serial number 90812169 and 90812170 respectively.

On February 15, 2022, the Company applied for trademarks for MOUNTAINS OF: SLEEP, ENERGY, RELIEF, LIBIDO, LEAN.

IMPACT OF COVID-19

Since the emergence of a novel strain of coronavirus ("COVID-19"), in or about December 2019, the highly contagious virus has spread across the world. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. Since that time in response to the outbreak, governmental authorities in Canada and internationally have implemented various measures with the aim of preventing or limiting further spread of COVID-19. These measures, which have included travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, and social distancing, have, among other things, resulted in widespread business, employment and economic disruptions. The global pandemic continues to evolve and the ultimate impact of the COVID-19 outbreak is highly uncertain.

Impact on business and operations

The health of MVMD personnel has not to date been impacted and the Company has been able to continue to work effectively on many key business priorities internally during the pandemic. However, the Company engages with third parties globally to provide services such as sourcing of key raw materials, drugs and vaccines, and operating pre-clinical research trials. Certain jurisdictions have experienced significant issues and delays as a result of the pandemic and these delays have in turn delayed the services anticipated to be received by the Company. For example, the ability of third parties in Bangladesh with respect to the Company's husbandry animal trials was greatly impacted over the summer of 2021. Additionally, the Company is experiencing moderate delays across its supply chains for outsourced contract research work as most suppliers have a backlog of work they are managing.

The Company has updated its timelines and tempered expectations during this period of uncertainty.

Uncertainties about future operations and adverse impacts

The continued impact of COVID-19 may have adverse impacts on the Company, including, among others:

- volatility in the global capital markets, which may increase cost of capital and adversely impact access to capital;
- continued impacts on workforces throughout the regions in which COVID-19 is present, which may result in delays in completing studies/trials;
- supply chain disruptions which could impact pricing and ability to procure materials for research and development work;
- increase in costs to complete studies, including the potential requirement to redo certain studies;

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the periods ended March 31, 2020 to December 31, 2021, which have been derived from the financial statements of the Company. This summary should be read in conjunction with the March 31, 2021 audited consolidated financial statements and the interim consolidated statements of the Company for the same periods.

(Unaudited, in thousands of Canadian Dollars, except for per share amounts)

(Canadian dollars in thousands)	December 31, 2021 $	September 30, 2021 $ (Restated)	June 30, 2021 $ (Restated)	March 31, 2021 $
Total assets	25,211	27,785	29,674	31,608
Working capital	15,997	17,266	18,479	20,010
Non-current financial liabilities	26	36	40	44
Revenue	-	-	-	-
Net income (loss)	(3,168)	(2,830)	(3,038)	(5,304)
Earnings (loss) per share	(0.01)	(0.01)	(0.01)	(0.02)
Weighted average common shares oustanding	329,412,049	329,285,924	328,670,283	263,510,981

(Canadian dollars in thousands)	December 31, 2020 $ (Restated)	September 30, 2020 $ (Restated)	June 30, 2020 $ (Restated)	March 31, 2020 $ (Restated)
Total assets	15,268	10,776	11,543	12,234
Working capital	5,940	175	972	1,426
Non-current financial liabilities	58	74	320	227
Revenue	-	$Nil	$Nil	$Nil
Net income (loss)	(1,210)	(863)	(766)	(16,966)
Earnings (loss) per share	(0.00)	(0.00)	(0.00)	(0.08)
Weighted average common shares oustanding	252,831,065	249,117,933	246,010,266	208,414,518

The restated amounts for September 30, 2021 and June 30, 2021 quarters relate to additional stock-based compensation of $814. There was no impact on the net loss for the nine-month ended December 31, 2021.

Significant variations in the most recent eight quarters are discussed below (Unaudited, in thousands of Canadian Dollars, except for per share amounts):

For the three-month period ended December 31, 2021, the Company incurred a loss of $3,168 as compared to a loss of $1,210 for the three-month period ended December 31, 2020, which consisted of the following:

- The Company incurred $242 in research and development costs relating to its pre-clinical trials and research. The Company did not incur any research and development costs for the three-month period ended December 31, 2020.
- The Company recorded additional stock-based compensation of $682 in relation to vesting of stock options granted in previous periods as compared to $28 for the three-month period ended December 31, 2020.
- The Company incurred $1,011 in general and administrative costs in the three-month period ended December 31, 2021 as compared to $449 in general and administrative costs for the three-month period ended December 31, 2020. The difference relates to increased marketing costs, and consulting fees in the normal course of business.

For the three-month period ended September 30, 2021, the Company incurred a loss of $2,830 as compared to a loss of $863 for the three-month period ended September 30, 2020, which consisted of the following:

- The Company incurred $120 in research and development costs relating to its pre-clinical trials and research. The Company did not incur any research and development costs for the three-month period ended September 30, 2020.
- The Company recorded additional (restated) stock-based compensation of $1,073 (originally recorded at $1,169) in relation to vesting of stock options granted in previous periods as compared to $17 for the three-month period ended September 30, 2020.
- The Company incurred $1,122 in general and administrative costs in the three-month period ended September 30, 2021 as compared to $556 in general and administrative costs for the three-month period ended September 30, 2020. The difference relates to increased marketing costs, and consulting fees in the normal course of business.

For the three-month period ended June 30, 2021, the Company incurred a loss of $3,038 as compared to a loss of $766 for the three-month period ended June 30, 2020, which consisted of the following:

- The Company incurred $839 in research and development costs relating to its pre-clinical trials and research. The Company did not incur any research and development costs for the three-month period ended June 30, 2020.
- The Company recorded additional (restated) stock-based compensation of $974 (originally recorded at $64) in relation to vesting of stock options granted in previous periods as compared to $12 for the three-month period ended June 30, 2020.
- The Company incurred $1,049 in general and administrative costs in the three-month period ended June 30, 2020 as compared to $487 in general and administrative costs for the three-month period ended June 30, 2020. The difference relates to increased public relations costs, legal fees, and consulting fees in the normal course of business.

LIQUIDITY AND CAPITAL RESOURCES

(Unaudited, in thousands of Canadian Dollars, except for per share amounts)

As at December 31, 2021, the Company has cash of $15,293 compared to $5,863 as at December 31, 2020. The Company has working capital of $15,997 as at December 31, 2021 compared to working capital of $5,940 as at December 31, 2020. Working capital increased mainly due to shareholders exercising 48.9 million warrants for gross proceeds of $17,257.

The Company has total debt of $550 at December 31, 2021 ($414 as at December 31, 2020 (restated)). Cash consumed by operating activities after changes in non-cash working capital during the nine-month period ended December 31, 2021, was $4,298, compared to cash consumed of $1,635 at December 31, 2020. The Company paid out considerably more fees for public relations activities, and fees to consultants, lawyers and other professionals in relation to developing its proprietary technology.

For the nine-month period ended December 31, 2021, investing activities consumed cash of $66 compared to the comparable period December 31, 2020, in which investing activities consumed cash of $541.

For the nine-month period ended December 31, 2021, financing activities provided cash of $395 from the exercise of stock options and exercise of share purchase warrants, compared to the comparable period December 31, 2020, in which financing activities provided cash of $6,169 related to the exercise of warrants, issuance of share capital by way of private placement, and cash received from the sale of a subsidiary.

See the nine-month period ended December 31, 2021, interim condensed consolidated financial statements for a breakdown of share transactions during the period and comparable period.

At present, the Company's operations do not generate cash flow and its business plan and focus is on developing and licensing its intellectual property technology assets.

To date, while the COVID-19 pandemic has had an impact on the Company with respect to its operations, such as delays in obtaining study results, the pandemic has not had a material impact on the Company's financial position and, as at the date of its MD&A, the Company expects it has sufficient funds to continue with the execution of its business plan.

OFF-BALANCE SHEET ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

Key management includes personnel having the authority and responsibility for planning, directing and controlling the Company and includes the directors and executive officers.

Salaries, consulting fees, and benefits incurred to key management are:

	Nine months ended December 31, 2021	Nine months ended December 31, 2020
	$	$
Fees and benefits	**397**	348
Stock based compensation	**1,634**	38
	2,031	386

There are $Nil amounts included in accounts payable and accrued liabilities as at December 31, 2021 and March 31, 2021 owing to key management.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in conformity with IFRS requires the use of judgments and/or estimates that affect the amounts reported and disclosed in the consolidated financial statements and related notes. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the consolidated financial statements.

In preparation of the interim condensed consolidated financial statements, the significant estimates and judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended March 31, 2021.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments include cash and cash equivalents, note receivable, accounts payable and accrued liabilities, and lease liability. The carrying amounts of these financial instruments are a reasonable estimate of their fair values based on their current nature and current market rates for similar financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

As at December 31, 2021, the Company did not have any financial assets and liabilities which are measured at fair value, other than equity investments. There were no transfers between Level 1, 2 or 3 during the nine-month period ended December 31, 2021.

a) Credit risk

Credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. Credit risk arises from cash and note receivable. The amount of credit risk related to cash and cash equivalents is considered insignificant as the Company's funds are held with a large Canadian bank. The Company obtains financial information from the creditor to determine the carrying amount of the note receivable.

The credit risk for both the cash and cash equivalent and note receivable is monitored quarterly, and any change is reflected as an adjustment through expected credit loss.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. The Company monitors and reviews current and future cash requirements and matches the maturity profile of financial assets and liabilities.

As at December 31, 2021, the Company's financial liabilities have contractual maturities as summarized below:

	Due within		
	0-12 months	1-2 years	2-3 years
	$	$	$
Accounts payable and accrued liabilities	272	-	-
Lease liability	28	26	-
Total	300	26	-

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and is comprised of currency risk, interest rate risk, and other price risk.

Sensitivity analysis

The Company has completed a sensitivity analysis to estimate the impact on comprehensive earnings which a change in the market price of equity investments would have on the Company during the nine-month period ended December 31, 2021. As a result, a 10% change in the equity investments will translate to a $382 gain or loss from equity investments.

OUTSTANDING SHARE DATA

The Company had the following common shares, preferred shares, stock options and warrants outstanding as at the date of this report:

Issued and Outstanding Common shares	329,581,549
Class B (non-voting) shares	50,056,229
Stock options	16,853,500
Warrants	14,265,294
Restricted share units	875,000

SUBSEQUENT EVENTS

On January 24, 2022, 902,147 share purchase warrants with an exercise price of $0.60 expired unexercised.

On January 25, 2022, the Company granted 2,525,000 share purchase options exercisable at $0.22 per share for five years to various Company officers, directors and consultants.

On January 25, 2022, the Company granted 875,000 restricted share units for nil proceeds to various Company directors, officers and consultants, which may vest, in whole or in part, subject to the satisfaction of certain performance measures, to be settled upon vesting by way of cash payment or issuance of common shares of the Company at the discretion of the Company.

On February 1, 2022, the Company cancelled 2,590,000 share purchase options exercisable at $2.04 per share to various Company officers, directors and consultants. These share purchase options were originally granted on February 12, 2021 and had a five-year expiry date.

Trends and Risks

The Company faces various trends, risks and uncertainties as a publicly traded, biotech company, the most current and prevalent of which are summarized below. Any or all of which may adversely affect the Company's financial position, prospects, and/or results from operations:

Financial Position. As an early-stage biotech company engaged in research and development, MVMD expects to spend a substantial amount of money to continue the research, development, testing and the preparation of its technology for licensing and commercialization, without any meaningful corresponding revenues unless and until it is able to secure the agreements for licensing/commercialization. To date, the Company has generated no revenue, however management believes the Company has sufficient cash and working capital to fund its current projects, as contemplated in this MD&A, with excess cash and working capital to explore additional potential projects that may be beneficial for the Company to undertake. It's possible that additional financing through equity and/or debt offerings will be required in the future as the Company advances, which may have a dilutive effect on shareholders.

Research and Development. The Company is an early-stage company currently developing its technologies with the intention to license to third parties and has a limited operating history. The likelihood of success of the Company's business plan must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with developing and expanding early-stage businesses. The Company is and will continue for the foreseeable future to be in the process of evaluating and/or testing and/or studying a number of technologies and must make determinations from time to time as to which projects it will continue to develop depending on a number of factors. The Company may decide to abandon certain projects that management determines not to be feasible or in the best interests of the Company. With respect to any particular project, the Company cannot predict whether any pre-clinical or clinical trials will begin or be completed as planned, will need to be restructured, will be completed on schedule, or will be successful.

Intellectual Property: MVMD's success will depend largely upon its ability to protect its intellectual property and proprietary technologies and to operate without infringing on the proprietary rights of others. Management takes care to ensure that its intellectual property assets are protected, however the protection of intellectual property can be complicated, is not guaranteed and is subject to different laws across international jurisdictions. Patents issued to the Company may be challenged, invalidated or circumvented, and the laws of some foreign countries may not protect the Company's intellectual property rights to the same extent as do the laws of Canada and the United States. The Company's success will also depend on its ability to operate without infringing the proprietary rights of third parties. Even if the Company is careful to avoid third party infringement, the Company cannot assure that third parties will not assert intellectual property claims against the Company. Proceedings involving patents or patent applications could result in adverse decisions regarding the patentability of MVMD's inventions as well as the enforceability, validity, or scope of protection offered by MVMD's patents. Litigation can be costly and time-consuming and, even if the Company is successful in legal proceedings that could arise, the Company may incur substantial costs and divert management time and attention in pursuing these proceedings. In addition, because the Company relies on third parties in the research and development, as well as licensing, of its technologies, the Company must share trade secrets with them. The Company seeks to protect its proprietary technology in part by entering into confidentiality agreements or other similar agreements with third parties prior to beginning research or disclosing proprietary information and the Company also limits the third parties to whom such confidential information must be disclosed and to the extent to which it's disclosed. However, it's possible competitors may discover MVMD's trade secrets through breach of these agreements or independent development. In addition, the nature of trade secrets is such that extensive disclosure may cause a trade secret to lose its status as a trade secret.

Reliance on Key Personnel and Third Parties.The success of the Company relies in part on key personnel. The Company cannot predict its success in hiring or retaining the personnel it requires for continued growth and the loss of any of the Company's executive officers or other key personnel could potentially harm the development of the Company's technologies and its business generally. In addition, the Company relies and will continue to rely on third parties, including contract manufacturers, contract

research organizations, as well as other consultants, independent contractors and advisors, to assist in its research and development activities, such as conducting preclinical and clinical development activities, as well as other operational requirements, such as the manufacture of existing or future products, and generally with various aspects of MVMD's business. There can be no assurances that any and all such third parties: a) will be able to meet the Company's timetable and requirements; b) will be able to provide quality service and delivery quality items; c) will deliver at a reasonable cost; or d) will comply with all applicable laws, regulations, internal and external policies, and internal and external standards, such as, but not limited to, GMP standards.

Reputation/Public Perception. Management believes that establishing and maintaining the Company's reputation and brand recognition is important to the Company's relationships with existing and future licensees, suppliers, and other parties with whom the Company does, or intends to, work. In addition to requiring the Company to incur expense without the guarantee of successful branding, any harm to the Company's reputation or brand could make it substantially more difficult for the Company to attract the interest of third parties, including new licensees, suppliers and service providers. Past or future third-party commentary about the Company, whether or not accurate, may have a negative impact on the Company, its brand and credibility of the Company, its technologies and its personnel. The use of social media platforms and similar channels, which provide individuals with access to a broad audience of consumers and other interested persons, is extensive. The availability and impact of information on social media platforms is virtually immediate and many social media platforms publish user-generated content without filters or independent verification as to the accuracy of the content posted.

COVID-19/Outbreaks. The current outbreak of COVID-19 and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions, is a threat to general business development activities, the raw material supply chain for the company's product formulation work, employee engagement on key business activities, and the overall capitalization of the business. For example, the Company's studies in Bangladesh were significantly delayed as a result of the impact of COVID-19 on that jurisdiction. The situation is dynamic and changing day-to-day and the Company continues to monitor the situation as well as tempering expectations as such matters are outside of the control of the Company. See section entitled "Impact of COVID-19" for additional information on the current and potential impact of COVID-19 on the Company's business.

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at www.sedar.com.