MOUNTAIN VALLEY MD HOLDINGS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS (QUARTERLY HIGHLIGHTS)

FOR THE THREE MONTHS ENDED JUNE 30, 2022

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

The information presented in this Management's Discussion and Analysis - Quarterly Highlights ("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; the ability to keep pace with developments in similar industries and remain competitive; the ability of the Company to develop or continue to develop existing technologies and new technologies; the Company's plan and business model to develop its technologies to the point where they appeal to third parties for purposes of licensing or otherwise; the timelines and costs associated with the Company's significant projects and other development activities, and the ability of the Company to finance the associated costs; the Company's plans and intentions with respect to its investments and its ability to execute on such plans; the engagement of a manufacturer/production partner and the services to be provided by such third party, and the impact of the strategy to engage such third party on the business of the Company; the type and timing of products to be brought to market by MVMD's licensees; the intention and timing of the Company to seek legal or other professional advice with respect to its planned activities; activities related to oncology, the impact on such therapies resulting from the application of the Company's technology, the development of the program and related next steps and costs and the dependence of the development on future licensees; 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.

Management Discussion and Analysis – Quarterly Highlights

This Management Discussion and Analysis – Quarterly Highlights ("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 first quarter of fiscal 2023, as well as the 2022 fiscal year, 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, 2022 and 2021, and the unaudited interim consolidated financial statements for the three months ended June 30, 2022.

The results for the period ended June 30, 2022, are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at August 22, 2022 unless otherwise indicated.

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). 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.

Company Information: The Company is a publicly traded health and wellness company that commenced trading on the CSE under the symbol "MVMD.CN" in March of 2020 and on the OTCQX Best Market ("OTCQX") under the symbol "MVMDF." The Company operates through its wholly-owned subsidiary, Mountain Valley MD Inc. 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 patented technologies to global pharmaceutical, vaccine and nutraceutical partners: currently a) patented Quicksome™ drug formulation and delivery technology, and b) patented Quicksol™ solubility formulation and delivery 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. This includes conducting pre-clinical trials to confirm, expand or abandon scientific hypotheses in how the Company's technologies would improve the efficacy and/or safety of key molecules. The Company's current primary business objective is to develop its owned scientific assets to a point where they are valuable to third parties, with the most likely and preferred path to commercialization being the entry into strategic licensing or similar agreements or arrangements. Notwithstanding the foregoing, 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. The Company is also working on a patent-pending dose-sparing adjuvant technology, however, this is currently in the early development stages and a path to commercialization has not been established.

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.

Patented Technologies

The Company's primary technologies are used or intended to be used in or for applications that seek to improve the administration, efficacy and safety of new and existing medicines, therapies, and nutraceuticals.

- The Company's patented Quicksome™ technology utilizes proprietary formulations and 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 the efficacy and safety of vaccines, pharmaceuticals and nutraceuticals.

- Quicksol™ is the Company's patented solubilization technology, which has been developed to provide solubilized drug delivery options. Currently and to date, the Company has applied the Quicksol™ solubilization technology to the macrocyclic lactone class of anti-parasitic drugs, where the Company's proprietary solubilization techniques, which use no harmful organic solvents, have been initially applied to the drugs ivermectin and Selamectin, which, if successful in pre-clinical trials, could be effectively applied in oncology and multiple anti-viral, anti-bacterial and anti-parasitic applications that could positively impact human and animal health globally.

Research and Development – Significant Projects: The Company is working on various 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. The Company's primary application of its owned technology is focused on the pharmaceutical and nutraceutical industries. MVMD's current licensing agreements are for nutraceutical uses, while the other significant projects currently in progress are for pharmaceutical uses across human and animal applications.

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.

Investments: The Company currently owns interests (non-controlling and with no significant influence) in certain publicly traded and privately held corporations, both in and outside of Canada.

OPERATIONAL HIGHLIGHTS FOR AND SUBSEQUENT TO FIRST QUARTER 2023 FY

Licensing

Following evaluation of North American GMP manufacturing options for MVMD's nutraceutical product strategy, the Company has formally entered into a license agreement with its selected third-party lead production partner in the United States. The Company's strategy has been to secure its lead manufacturing partner as a licensee, who will in turn produce nutraceutical products based on or embodying MVMD's proprietary technologies for third parties approved by and who have an agreement with MVMD. The Company believes this strategy will help to ensure product quality, support the ability to scale production, streamline the audit process for royalty agreements, and provide the necessary protection of its technology and trade secrets versus having numerous licensed partners each replicating the manufacturing process for their own products.

Over the past several months, MVMD has been working closely with its production partner on final formulations, final product applications and production scale requirements. It is anticipated that MVMD's production partner will be capable of full commercial scale GMP product manufacturing that embodies the MVMD's proprietary Quicksome™ technology in the fourth calendar quarter of 2022.

Securing the lead manufacturer and finalizing the scaled GMP production environment aligns with MVMD's anticipated increased business development efforts in the latter half of calendar 2022 to secure additional nutraceutical licensing partnerships.

Circadian Wellness Update. The Company has been working closely with Circadian Wellness Corp. ("Circadian"), on of its two current tlicensees, on proprietary formulations for mushroom-infused products that achieve an increase in overall molecule efficacy with the Company's Quicksome™ technology applied across a variety of rapid dissolve sublingual and dermal products. Circadian has communicated to the Company that they are finalizing its product plans and go-to-market strategy for a broad line of naturally derived mushroom products that 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 pain management cream. Although outside of MVMD's control, it is anticipated that Circadian will be introducing its first consumer products, including those that embody MVMD's technology, for sale in the United States in the latter half of 2022 calendar year under its EONS brand.

Research and Development Work – Significant Projects

Significant projects the Company is working on as of 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 are not expected to be feasible in the Company's view. As of 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 oncology program is currently in the pre-clinical phase, where MVMD is testing hypotheses and exploring its technology in this area.

The Company is currently working on developing a publication on its completed oncology studies and is evaluating the future development program required to further understand the value of the Quicksol™ technology in this space and its broader approach to oncology research and development. The Company expects to have a decision on a path forward by the end of calendar 2022 with related timelines and budgets established.

In April 2022, the Company was granted a Patent for 'Novel Injectable, Infusable, Instillable Ivermectin Adjuvant for Cancer Therapies' for its solubilized ivermectin (Soluvec™). The issuance of this patent is believed to verify the novel approach of MVMD's technology as applied to potential cancer types that the Company is exploring and assists in safeguarding the invention in support of potential commercial value in the future as the technology is assessed and progresses through any future potential trials. MVMD is also reviewing additional pre-clinical models to explore combinations of its patented Soluvec™ with existing chemotherapeutic and immunomodulatory treatments across solid tumor and hematological malignancies.

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 include 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.

MVMD has initiated the first phase studies for characterization of targeted antigen and vaccines and has completed planning for second phase studies on upcoming temperature and storage testing. More information will be provided in future filings. The completion of the characterization studies is expected to enable MVMD to further cold chain trial studies to validate the Quicksome™ technology efficacy on a wider array of vaccines, with the objective of applying a thin Quicksome™ formulated vaccine inside a vial that is capable of exposure and storage at ambient temperatures up to 40ºC, and then reconstituted for injection at the point of administration without denaturing the contents.

The Company has been working with a potential future commercial partner in South America to apply MVMD's cold chain technology to targeted husbandry animal vaccines. The partner has provided MVMD with an initial list of targeted husbandry vaccines that have been incorporated into the Company's cold chain planning and testing cycles. The Company is in the early stages and still considering regulatory requirements at this time.

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

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.

In line with the Company's overall strategy to develop its scientific assets with a view to licensing to third parties, MVMD is in negotiations with a third party for licensing and production by the licensee of its Soluvec™ 1% product inside Bangladesh. The proposed licensee has presented initial commercialization plans and has informed MVMD that it has tentative government approvals secured pending the outcome of the current pharmacokinetic trials that are being conducted inside Bangladesh. Management believes that regulatory approvals, production, and commercialization of Soluvec™ 1% inside Bangladesh by the licensee, if current negotiations and planning are successful, could be achieved in the latter half of the 2022 calendar year. Costs to be incurred by MVMD for its role in the final phase of the husbandry work inside Bangladesh are anticipated to be CAD $150,000.

Commensurate with the Company's negotiations and completion of a definitive licensing and manufacturing agreement with a third-party licensee, MVMD will proceed with the engagement of appropriate legal counsel licensed in Bangladesh to provide legal advice as to regulatory framework, in addition to risks, legal challenges, and generally review of any agreement into which MVMD may enter.

Farmed Fish. The Company's partner in Bangladesh is working with the local Ministry of Fisheries to evaluate whether a combined application of both MVMD's 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's partner is working locally in Bangladesh with the Ministry to finalize the trial planning protocol in these different species and aims to commence the trials in the third calendar quarter of 2022.

Additionally, MVMD is coordinating the research framework with an acclaimed international university to conduct a collaborative study of Soluvec™1% coated fish feed to study its health benefits in targeted aquatic species. It is anticipated the related studies and budgets will be finalized by the fourth calendar 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.

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 evaluation of 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 and anticipates clarity on the direction, the potential path forward and related budgets in the second half of calendar 2022.

Insulin. 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 advancing its exploration of the application of its technology to the needleless administration of insulin and is currently planning the execution of formulation experiments with the goal of optimizing the potential delivery of rapid-acting human insulin in a sublingual format.

The Company's initial formulation experiments are planned to be initiated in the third calendar quarter of 2022. The expected cost for these early studies is approximately $300,000 CDN and anticipated to take 24 weeks from the time of initiation. After the completion of these initial studies, MVMD expects to then be able to define the next milestones to be achieved.

Quicksol™ – Pre-Development Stage. Quicksol™ is a patented technology that provides a method to solubilize certain classes of drugs. Currently, MVMD has applied this technology to the macrocyclic lactone class of drugs.

In June 2022, the Company completed a pre-clinical pharmacokinetic study - IM032 - in male beagle dogs comparing intramuscular ("IM") and subcutaneous ("SC") dosing of Soluvec™ 1% with oral administration of commercially available branded Ivermectin. The pre-clinical canine trial was conducted by a third-party preclinical contract research organization ("CRO") and the test results demonstrated:

- Soluvec™, administered IM and SC at the same dose level (300 μg/kg) as the reference product oral Ivermectin, resulted in mean maximum plasma concentrations represented by a 2.6 and 1.6 fold higher C_{max}, respectively.
- The mean systemic exposure of Soluvec™ was on average 6.8 and 7.0 fold higher respectively for IM and SC administration as compared to oral Ivermectin as measured by AUC_{Last} (area under the curve from the time of dosing to the last measurable concentration).
- Both SC and IM formulations of Soluvec™ absorbed quickly after dosing and sustained longer above the lower limit of quantification in the study, compared to oral Ivermectin.

The Company is currently developing a full manuscript for publication and the GMP production work described in the Company's annual management's discussion and analysis for the year ended March 31, 2022 will contribute to the completion of a regulatory package the Company is working on to support a 505(b)(2) application to be submitted by MVMD to the FDA for Soluvec™, for current indications of Ivermectin (i.e. for the treatment of parasitic infections). The 505(b)(2) new drug application is one of three U.S. Food and Drug Administration drug approval pathways and represents an appealing regulatory strategy by way of helping to avoid unnecessary duplication of studies already performed on a previously approved drug. The Company believes the 505(b)(2) pathway will result in a less expensive and faster route to approval, compared with a traditional development pathway, while creating a solubilized Ivermectin product. This package will include nonclinical, pre-clinical, clinical pharmacology data and will be the basis for a request for a pre-IND meeting with the FDA. The goal of the pre-IND meeting is to obtain clarification from the FDA as to the requirements for MVMD's Soluvec™ development program in order to support the filing and approval of Soluvec™ for the treatment of parasitic infections in humans.

MVMD's solubility technology applied to the Ivermectin drug is the only form in the world that use no harmful organic solvents and strictly excipients that are currently approved by the US Food and Drug Administration (FDA), making it a potential candidate for human injection.

The next milestones are: a) development and submission of the pre-IND meeting request letter; and b) development and submission of the pre-IND meeting package. The timeline expected to achieve these milestones is approximately 14 weeks based on an analysis of current data. The scope of work is expected to have a total cost of $185,000 CDN.

Tuberculosis. MVMD announced that it was finalizing a study framework to apply its novel Selactosol™ (solubilized Selamectin using Quicksol™) solution 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.

MVMD has completed its initial assessment and established the plan to optimize the concentration and formulation, the necessary testing assays, and related preclinical protocols required to advance studies for Selactosol™ targeting mycobacterium-based infections. MVMD intends to commence formulation development, optimization and characterization studies with its Selactosol™ solution in the latter half of calendar 2022. This first phase of studies is expected to cost approx. $300,000 CAD and will take approximately 24 weeks.

INVESTMENTS

On November 18, 2019, prior to the Company's reverse takeover transaction in February 2020 (the "RTO") the Company disposed of its shares of Desert Hawk Resources Inc. to Casino Gold Corp. Casino Gold Corp. issued 10,000,000 shares to the Company, which represented approximately 5.8% of Casino Gold's issued and outstanding shares.

In January 2020, Casino Gold Corp completed a plan of arrangement in which Casino Gold Corp. was split into two private companies. On October 14, 2021, Palisades Goldcorp Ltd. completed a plan of arrangement to distribute equity shares to shareholders of Palisades Goldcorp Ltd. The Company now owns the following equity investments:

- 4,091,325 common shares of Nevada King Gold Corp. (formerly Nevada King Mining Ltd, and formerly 1234721 B.C. Ltd.)
- 799,000 common shares of Palisade Goldcorp Ltd.
- 443,147 common shares of Mexican Gold Mining Corp.
- 326,339 common shares of Radio Fuels Energy Corp.

As at June 30, 2022, management fair valued Palisade Goldcorp Ltd. using Level 3 inputs under the IFRS 13 fair value hierarchy. The fair value was based on the most recent private sale by Palisade Goldcorp Ltd. The fair value

of the investment in Palisade Goldcorp has been reduced by the fair value of the distributed equity shares noted in the above paragraph.

As at June 30, 2022, management fair valued Nevada King Gold Corp., Mexican Gold Mining Corp., and Radio Fuels Energy Corp., based on Level 1 inputs under the IFRS 13 fair value hierarchy. The fair value was determined using the market trading price as at June 30, 2022.

Prior to the completion of the RTO, shareholders of the Company (formerly, Meadow Bay Gold Corporation) received one additional Class B share of the Company for each common share held.

The special rights and restrictions of the Class B shares provide that if the following occurs, the Company will redeem all of the outstanding Class B shares for an amount equal to the redemption price:

- the Company decides, by way of a director's resolution to distribute the Class B Investments (now Palisade Goldcorp Ltd., Nevada King Gold Corp., Mexican Gold Mining Corp., and Radio Fuels Energy Corp.); or
- the Company completes the sale of all or any portion of the Class B Investments

Since the Company has discretion over any distribution or disposal that would require a redemption of the Class B shares, the above special rights and restrictions do not result in a liability classification. The Class B shares have therefore been presented as equity.

The fair value movement of the investments for the period ended June 30, 2022 is as follows:

	March 31, 2022	Unrealized Gains / (Losses)	June 30, 2022
	$	$	$
Sixth Wave Innovations Inc. (a)	55	(37)	**18**
Palisade Goldcorp Ltd. (b)	1,806	-	**1,806**
Nevada King Gold Corp. (b)	1,841	(655)	**1,186**
Mexican Gold Mining Corp. (b)	18	(7)	**11**
Radio Fuels Energy Corp. (b)	86	(42)	**44**
Circadian Wellness Corp. (c)	1,222	-	**1,222**
	5,028	(741)	**4,287**

The drivers behind the changes in fair value for the three-month period ended June 30, 2022 and of Palisades, Nevada King Goldcorp Ltd., Mexican Gold Mining Corp. and Radio Fuels Energy Corp are commodity prices. During the year ended, March 31, 2022, Palisades distributed the following additional shares which decreased the value of Palisades Goldcorp Ltd.:

- 638,338 common shares of Nevada King Gold Corp.
- 443,147 common shares of Mexican Gold Mining Corp.
- 326,339 common shares of Radio Fuels Energy Corp

Sixth Wave Innovation Inc. The driver behind the decline in Sixth Wave Innovation Inc. during the period ended June 30, 2022 was lack of revenues related to its nanotechnology.

Circadian Wellness Corp. The main driver behind Circadian Wellness is the market acceptance and effectiveness of its functional mushroom product, which has yet to be proven. There has been no evidence of a change in the value of this investment for the three months ended June 30, 2022.

Investment Strategy.

It is the current investment strategy of the Company to hold the shares of Sixth Wave Innovations Inc. and Circadian Wellness Corp. for the foreseeable future.

It is the current investment strategy of MVMD to distribute the proceeds of the Class B shares once Palisades completes its public offering of shares, or if a private buyer is found to purchase the shares prior to Palisades going public. It is MVMD's understanding that Palisades intends to go public, however MVMD cannot guarantee as Palisades is an unrelated third party. In the event Palisades does not go public, MVMD intends to work with Palisades to find a private buyer to purchase the shares. The remaining Class B shares are public companies and are anticipated to be sold once the sale of Palisades is completed. MVMD is not obligated to dispose of the Class B assets, although it intends to complete the sale and distribute the proceeds to the Class B shareholders in the next two to six months.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the periods ended September 30, 2020 to June 30, 2022, which have been derived from the financial statements of the Company. This summary should be read in conjunction with the March 31, 2022 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)

	June 30, 2022 $	**March 31, 2022 $**	**December 31, 2021 $**	**September 30, 2021 $ (Restated)**
Total assets	23,656	25,270	25,211	27,785
Working capital	13,837	14,655	15,997	17,266
Non-current financial liabilities	6	6	26	36
Revenue	-	110	-	-
Net income (loss)	(1,852)	(673)	(3,168)	(2,830)
Earnings (loss) per share	(0.01)	(0.00)	(0.01)	(0.01)
Weighted average common shares oustanding	329,647,895	329,236,773	329,412,049	329,285,924

(Canadian dollars in thousands)	**June 30, 2021 $ (Restated)**	**March 31, 2021 $**	**December 31, 2020 $ (Restated)**	**September 30, 2020 $ (Restated)**
Total assets	29,674	31,608	15,268	10,776
Working capital	18,479	20,010	5,940	175
Non-current financial liabilities	40	44	58	74
Revenue	-	-	-	$Nil
Net income (loss)	(3,038)	(5,304)	(1,210)	(863)
Earnings (loss) per share	(0.01)	(0.02)	(0.00)	(0.00)
Weighted average common shares oustanding	328,670,283	263,510,981	252,831,065	249,117,933

The restated amounts for September 30, 2021 and June 30, 2021 quarters relate to additional stock-based compensation of $(96) and $910 respectively.

For the quarter ended June 30, 2022, the Company incurred a loss of $1,852 which consisted of the following:

- The Company incurred $245 in research and development costs relating to its pre-clinical trials and research.
- The Company recorded additional stock-based compensation of $174 in relation to vesting of stock options granted in previous periods.

- The Company incurred $605 in general and administrative costs in the three-month period ended June 30, 2022 related to management and consulting fees in the normal course of business.
- The Company recorded a $742 loss on its equity investments primarily related to its revaluation of its Class B investments.

LIQUIDITY AND CAPITAL RESOURCES

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

As at June 30, 2022, the Company has cash of $13,526 compared to $18,234 as at June 30, 2021. The Company has working capital of $13,837 as at June 30, 2022 compared to working capital of $18,479 as at June 30, 2021. Working capital decreased as the Company spent funds on research and development trials and general and administrative expenses.

The Company has total debt of $457 at June 30, 2022 ($855 as at June 30, 2021). Cash consumed by operating activities after changes in non-cash working capital during period ended June 30, 2022, was $797, compared to cash consumed of $1,888 for the period ended June 30, 2021. The Company paid out considerably less fees for public relations activities, and fees to consultants, lawyers and other professionals in relation to developing its proprietary technology.

For the period ended June 30, 2022, investing activities consumed cash of $11 compared to the comparable period June 30, 2021, in which investing activities consumed cash of $15.

For the period ended June 30, 2022, financing activities provided cash of $Nil, compared to the comparable period ended June 30, 2021, in which financing activities provided cash of $385 related to the exercise of warrants, and stock options.

See the interim condensed financials statements for the three months period ended June 30, 2022, 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.

As at June 30, 2022, the expected funds required to fund current and contracted research and development projects of MVMD are $3,176. These expenditures are not yet committed but required to keep MVMD on track in achieving its planned growth. MVMD has ample funds for future projects as results are achieved and future R&D plans are developed.

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:

	Three months ended June 30, 2022 $	Three months ended June 30, 2021 $
Short-term benefits	**180**	83
Stock based compensation	**104**	425
	284	508

There are $Nil amounts included in accounts payable and accrued liabilities as at June 30, 2022 and March 31, 2022 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, 2022.

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 June 30, 2022, 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 June 30, 2022, 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	282	-	-
Lease liability	29	6	-
Total	311	6	-

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 equity investments would have on the Company during the three-month period ended June 30, 2022. As a result, a 10% change in the equity investments will translate to a $429 (June 30, 2021, $501) 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	329,653,424
Class B (non-voting) shares	50,056,229
Stock options	16,753,500
Warrants	14,127,763
Restricted share units	875,000

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUES

Additional disclosure concerning the Company's research and development and general and administrative expenses is provided below***:***

	3 months ended June 30,	
Research and development	**2022**	2021
Third party research and pre-clinical trials	**171**	834
Consulting fees and salaries	**72**	64
R&D lab supplies	**2**	5
Total	**$ 245**	$ 903

	3 months ended June 30,	
General and administrative	**2022**	2021
Advertising, marketing and technology support	**46**	427
Business development and travel	**39**	18
Consulting fees and salaries	**338**	183
Investor relations	**12**	66
Office, insurance and supplies	**83**	106
Professional fees	**55**	135
Rent	**13**	10
Transfer agent	**9**	19
Other costs	**10**	21
Total	**$ 605**	$ 985

SUBSEQUENT EVENT

On May 31, 2022, the Company signed a share purchase agreement to dispose of its shareholdings in its investment in associate, Sativa Nativa SAS for $426. The Company received $366 on July 5, 2022.

RISK FACTORS

There are numerous and varied risks, known and unknown, that may prevent the Company from achieving its goals. A detailed description of the risks and uncertainties pertaining to the Company's operations can be found in the Company's Annual Management Discussion and Analysis for the fiscal year ended March 31, 2022. The Company is not aware of any significant changes to the risks and uncertainties disclosed at that time.

ADDITIONAL INFORMATION

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