This Management Discussion and Analysis ("MD&A") is intended to help the reader understand the financial statements of Nass Valley Gateway Ltd. ("Nass Valley" or the "Company"). The information herein should be read in conjunction with the consolidated financial statements for the years ended December 31, 2021, and 2020, and the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022, together with notes thereto. In the opinion of the management, all adjustments (which consists only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results of the three and nine months ended September 30, 2022, are not necessarily indicative of the results that may be expected for any future period.

The unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022, and 2021 have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. The following discussion 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 factors and variables beyond management control. All monetary amounts are in Canadian dollars unless otherwise stated.

This MD&A is the responsibility of management. The Board of Directors carries out its responsibility for the review of this disclosure directly and through its audit committee comprised primarily of independent directors. The audit committee reviews and approves this disclosure prior to its publication, pursuant to the authority delegated to it by the Board of Directors.

The reader is encouraged to review the Company's statutory filings on **www.sedar.com** ("Sedar") and to review general information.

Description of Business and Overall Performance

The Company was incorporated on October 25, 2005 under the British Columbia Business Corporation Act. The Company became a reporting issuer on February 26, 2007 and the common shares of the Company were listed on the Canadian Securities Exchange ("CSE") on March 9, 2007 under the trading symbol 'NVGL', which was changed in September 2008 to "NVG". Since October 5, 2007, the Company's common shares have been co-listed on the "Open Market" of the Frankfurt (Germany) Stock Exchange and are trading under the symbol "3NVN". The Company's common shares are also traded on the Third Market Segment called Freiverkehr on the Berlin and Bremen Stock Exchange.

The Company owns three wholly owned subsidiaries, Pro-Thotics Technology Inc. ("PTI"), Advanced Bioceuticals Limited ("ABL") which were acquired in a reversed takeover ("RTO") on March 18, 2019, and Nass Valley Gardens Inc..

Pro-Thotics Technology Inc ("PTI") was incorporated in September 1988 in the State of New York and had been a Durable Medical Equipment Supplier ("DME") since inception. On April 3, 2016 Global1 Solutions LLC and National Brace Inc. purchased 100% of PTI, expanding the business into a national marketer of off the shelf Orthotics to a broad base of patients based throughout the United States.

PTI at that time had offices in Patchogue, New York and Tamarac, Florida. The main business was that of custom fit orthotics, with patients generated by salesman and hospitals. The Company also sold arterial compression devices, lymphedema pumps and prosthetics.

Subsequently to taking over in 2016, the new management decided to change the business model from custom fit to drop ship / mail order model. The sales of the compression devices, lymphedema pumps and prosthetics were phased out. In addition, the Company also stopped 3rd party billing. This resulted in revenues declining from 2016 to 2017.

During 2017 and 2018 sales steadily improved and continued into 2019.

During Q2 2019 revenue was negatively affected by the contraction in the DME industry because of US government policy. PTI subsequently ceased operations shortly thereafter. At December 31, 2020, the assets and liabilities of PTI are reported as held for sale. The Company is still in discussions with potential buyers.

ABL was incorporated on January 31, 2018 in the State of New Jersey and on February 1, 2018 acquired 100% of PTI. Global1 Solutions LLC and National Brace Inc. each became a 50% shareholder of ABL in an exchange of equity of a company under common control.

On March 22, 2018, the Company entered into a Definitive Acquisition and Share Exchange Agreement whereby Nass Valley Gateway Ltd acquires a 100% interest in Advanced Bioceuticals Limited and its wholly owned subsidiary Pro-Thotics Technologies Inc. in exchange for 89.27% of the common shares of the Nass Valley Gateway Ltd. Since ABL's shareholders own a majority of the common shares of the Company subsequent to the CSE approval, the proposed transaction together with the recapitalization, was considered as a reverse takeover ("RTO").

On March 4, 2019 the Company announced that following an internal Listing Application Review, the CSE had approved the fundamental change of Nass Valley Gateway Ltd. for listing subject to the following conditions:

1) Completion of the acquisition (the "Acquisition") of Advanced Bioceuticals Limited ("ABL");
2) Completion of any and all outstanding CSE application documentation and payment of fees pursuant to the Policies of the CSE.

On March 13, 2019, the parties amended the DASE-Agr by changing the consideration for the 100% ownership interest of ABL and including ABL's wholly owned subsidiary Pro-Thotics Technology, Inc. from 400,000,000 common shares of NVG at a deemed price of $0.10 per share to 280,000,000 common shares of NVG at a deemed price of $0.1429 per share representing 89.7% of the Company's issued common shares (85.06% on a fully diluted basis).

On March 18, 2019, the Company issued 280,000,000 common shares as total consideration for its acquisition of Advanced Bioceuticals Limited ("ABL") and Pro-Thotics Technology Inc. ("PTI") as wholly owned subsidiaries. The total number of the issued and outstanding common shares of the Company increased to 312,143,477.

The 280,000,000 issued common shares are subject to the four months hold period pursuant to the Canadian securities laws, of which 266,000,000 common shares are also subject to resale restrictions prescribed by the U.S. securities laws and cannot be resold during the next 12 months and without strict compliance with the U.S. securities laws. 261,400,000 common shares of the issued 280,000,000 common shares are also subject to an escrow agreement, a copy of which is available under the profile of the Company on www.sedar.com.

As a wholly owned subsidiaries of Nass Valley, ABL will continue to focus on commencing the sale of hemp based cannabidiol (CBD) with zero Tetrahydrocannabinol (THC) content products including CBD infused skin, bath, and body care products (the "ABL-Business") and PTI will continue to focus on discussion with potential buyers.

On March 25, 2019 Nass Valley's Board of Directors announced its approval of the appointment of two Directors and Officers pursuant to its fundamental acquisition.

Mr. John Affenita was appointed as a Director, President and the Chief Executive Officer ("CEO") of Nass Valley. Mr. Affenita is also the CEO of Nass Valley's acquired subsidiary Pro-Thotics Technology Inc, a position he has held since 2000. Mr. Affenita is the founder of Pro-Thotics Technology, Inc. He is an ABC (American Board of Certification) Orthotist and Prosthetist ("O&P") member, serving the O&P field for 20 years. He has since resigned as CEO.

Mr. Darren Palestine was appointed May 30, 2019. He is an experienced professional with twelve years of operational management, business development, sales management, and underwriting experience in asset-based lending. He is the Owner and Operator of a Lending and Consulting Firm and is a focused leader with success in both inbound and outbound sales, networking, and business development. Mr. Palestine has multiple articles and interviews published in various Industry publications, is a featured panelist on Alternative Financing Panels. Mr. Darren resigned June 21st, 2021.

Mr. Michal Semler was appointed as the Chief Financial Officer of Nass Valley. Mr. Semler has been in the healthcare and wellness business for the last 10 years. He also was instrumental in capital fundraising for Pro-Thotics Technologies and its affiliates and maintains all financial relationships with banking, private equity, and investor partners. Mr. Semler was appointed as the Chief Executive Officer on April 9th, 2021.

On March 29, 2019 the shares of Nass Valley Gateway resumed trading.

On May 6, 2019 the Company announced that it signed a letter of intent ("LOI") with CSB Supply BV ("CSB"). CSB is a global business to business wholesale supplier of CBD (Cannabidiol) products located in The Netherlands and under the terms of the LOI will supply and the company will market and distribute CBD products nationally in the United States and Canada under the Nass Valley brand.

CSB has been in business for over 10 years manufacturing, packaging and whole-selling a variety of CBD products. The products supplied for Nass Valley's brand will meet the US Federal legal requirements containing less than 0.3% THC.

On June 7, 2019, Michael Semler (CFO) and Armand Assante were elected to the Board of Directors.

On July 26, 2019, the Company informed CSB it would terminate the proposed LOI per the agreement.

On August 26, 2019, the Company entered into a definitive JV (joint venture) agreement with Dynamic Blending Specialists (DBS), a contract manufacturer of cosmetic and dermatological products located in Vineyard, Utah, USA. DBS will, under the terms of the agreement, provide the Company with zero-THC CBD products for the period of one year. The JV can be extended by mutual agreement between DBS and the Company. Also, DBS executives Gavin Collier will serve as CEO of the Company and Jordan Erskine will serve as COO of the Company, Mr. Erskine will also serve as Director and on the audit committee. Each will be under Company employee contracts and each will be granted 1M shares of Company common shares. Mr. Affenita resigned as CEO and stayed on as a consultant to PTI.

On November 8th, 2019, the Company ordered its first 20k units of CBD products from DBS under the Nass Valley Gardens brand name.

On November 14, 2019, the Company hired Todd Sonaga, a public and investor relations consultant to run all of the Company's investor relations and communications.

On January 29, 2020, the Company acquired Nass Valley Gardens Inc. ("NVGI") from two directors of the Company for a nominal consideration of $1. On the date of acquisition, NVGI had immaterial assets and liabilities.

On February 19, 2020, the Company began testing e-commerce strategies utilizing social media platforms.

In March, 2020, the Coronavirus essentially shutdown all formerly normal business practices and activities. Consumer shopping habits drastically changed as the economy faced unprecedented challenges and uncertainty which resulted in massive closures, historic unemployment and subsequently forcing government subsidies to individuals and businesses alike. The Company stopped all e-commerce marketing and social media marketing to protect against spending high-risk capital while it waits for the economy to return to activity. The company is poised and expects to start selling its CBD products into its sales channels again in Q3 2021.

On December 19th, 2020, the Company retained the services of Gil Ventures, a Miami Florida-based digital marketing and advertising agency to lead digital marketing strategy, product innovation, and packaging design.

In February 2021, NVG announced it had approved Jeanine Behr Getz as member of its Board of Directors.

On April 20, 2021, NVG announced it will form Nass Valley Direct, a nationwide CBD direct sales platform built to recruit and harness the brand awareness strength of having 1000-2500 sales associates calling on small businesses across America.

On September 20, 2021, NVG announced a year-long partnership with Stockhouse Inc. Canada's largest Investor Relations firm to help educate Canadian investors about NVG, its points of differences versus its competitors, and how NVG's management was identifying new audiences to introduce its CBD products.

Future Developments

The Company is fully committed to producing and marketing CBD consumer products marketed under the brand name of Nass Valley Gardens. There are plans to expand the Company's sales channels beyond ecommerce, social media, and retail.

Nass Valley Gardens is also planning to expand its digital footprint by marketing to specific demographics via highly targeted data-driven strategies.

The Company continues to focus on selling its remaining PTI assets. It plans to divest of PTI because of the change in market conditions stated earlier and is in negotiations with a potential buyer. While a buyer has been identified, there is no certainty that this buyer will complete the purchase.

FINANCING

During the twelve months ended December 31, 2020, and following the discontinuance of the PTI operations, the Company used financing from related parties for operations and development of its new CBD business. The Company anticipates that it will continue to receive financing from related parties to further establish and expand its CBD offering but projects cash flow from CBD products sales revenue will fully finance its operational expenses by end Q2 2023.

On March 3, 2019, the Company received an additional $12,763 to the previously received funds for the exercise of 256,000 share purchase warrants at $0.10 per share.

On March 28, 2019, the Company received $26,000 for the exercise of 260,000 stock options at $0.10 per share.

On April 10, 2019, the Company received $2,000 for the exercise of 20,000 stock options at $0.10 per share.

On April 10, 2019, the Company granted 1,555,000 new incentive stock options to its Directors, Officers and consultants at a price of $0.18 per share and an expiry date of April 10, 2022.

On May 26, 2019, 240,000 stock options which the Company had granted on April 10, 2019 were cancelled due to the resignation of one Director.

On July 19, 2019, the Company converted $15,330 from an AP to a management company for services rendered into payment for the exercise of 153,300 share purchase warrants.

During the year ended December 31, 2021, the Company received funding from related parties for total amount of $4,081,125.

During the nine months ended September 30, 2022, the Company received funding from related parties for total amount of $453,495 and from proceeds of promissory note payable to third-parties for $1,155,728 for operating capital.

Highlights and Subsequent Events

On August 26th, 2019, the Company entered into a definitive JV (joint venture) agreement with Dynamic Blending Specialists (DBS), a contract manufacturer of cosmetic and dermatological products located in Vineyard, Utah, USA. DBS will, under the terms of the agreement, provide the Company with zero-THC CBD products for the period of one year. The JV can be extended by mutual agreement between DBS and the Company. Also, DBS executives Gavin Collier will serve as CEO of the Company and Jordan Erskine will serve as COO of the Company, Mr. Erskine will also serve as Director and on the audit committee. Each will be under Company employee contracts and each will be granted 1M shares of Company common shares. On January 17th, 2020 Mr. Michael Racaniello was invited by the Board of Directors and accepted to serve as a Director of Nass Valley Gateway Ltd. Mr. Racaniello is a member of the majority shareholder group. In February 2021, Jeanine Behr was invited to the Board of Directors to serve as Director of Nass Valley Gateway Ltd.

The novel coronavirus, and its dramatic negative effects on society as a whole and the business world, forced management to cease marketing its existing portfolio of Nass Valley Gardens branded Isolate CBD products. The Company expects to start to market its products again in Q2 2023 on e-commerce and other sales channels.

There have been no major Subsequent events.

Results of Operations

The three and nine months ended September 30, 2022, compared to the three and nine months ended September 30, 2021

Net loss for the three and nine months ended September 30, 2022, amounted to $637,600 and $1,345,030 respectively (loss per share - $(0.00)) compared to a loss of $460,449 and $4,043,355 respectively (loss per share - $(0.01)) for the three and nine months ended September 30, 2021, which included the loss from discontinued operations of $31,330 and $92,362 respectively (three and nine months ended September 30, 2021 - $32,244 and $91,735 respectively).

Revenue for the three and nine months ended September 30, 2022 was $7,336 and $17,730 respectively compared to revenue for the three and nine months ended September 30, 2021, which amounted to $25,748 and $44,515 respectively. The decrease is due to decrease in CBD product sales. The revenue and expenses from PTI for the year ended December 31, 2019 and subsequently was reported as discontinued operations.

The decrease in loss from continuing operations was mainly due to:

(i) a decrease of $925,435 in marketing and promotion expenses from $1,090,616 in 2021 to $165,181 in 2022 is directly related to promote market awareness of the Company and its product.

(ii) a decrease in professional and consulting fees of $1,318,798 from $2,182,362 in 2021 to $863,564 in 2022, due to payments to consultants;

(iii) a decrease of $612,589 in office and miscellaneous from $689,646 in 2021 to $77,057 in 2022.

Selected annual information

	Years Ended December 31		
	2021 (audited)	2020 (audited)	2019 (audited)
	$	$	$
Total revenues	56,271	16,041	nil
General and administrative	4,118,343	2,596,641	663,950
Loss for the year-continuing operations	(4,293,783)	(2,895,050)	(2,158,192)
Loss for the year-discontinued operations	(120,336)	(265,509)	(1,146,682)
Loss per share – basic and diluted (continuing operations)	(0.01)	(0.01)	(0.01)
Total assets	1,168,556	1,380,383	552,993
Total liabilities	13,615,876	9,410,849	5,720,345
Shareholders' deficiency	(12,447,320)	(8,030,466)	(5,167,352)

Selected quarterly information

Three months ended	Sep 30, 2022	June 30, 2022	Mar 31, 2022	Dec 31, 2021	Sep 30, 2021	June 30, 2021	Mar 31, 2021	Dec 31, 2020
Total assets	1,615,593	1,205,320	1,097,293	1,168,556	1,246,426	1,499,785	1,999,441	1,380,383
Working capital deficiency	(14,890,729)	(13,371,206)	(12,544,660)	(12,447,320)	(12,139,044)	(11,385,503)	(9,733,388)	(8,030,466)
Shareholders' deficiency	(14,890,729)	(13,371,206)	(12,544,660)	(12,447,320)	(12,139,044)	(11,385,503)	(9,733,388)	(8,030,466)
Revenue	7,336	3,403	6,991	11,756	25,748	13,048	5,719	16,041
Net loss	(637,600)	(428,470)	(278,960)	(493,874)	(395,961)	(1,640,526)	(1,883,758)	(2,604,656)
Loss per share	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)

Liquidity

The Company's working capital and deficit positions at September 30, 2022 and December 31, 2021 were as follows:

		September 30 2022 (unaudited)		December 31 2021 (audited)
Working capital	$	(14,890,729)	$	(12,447,320)
Deficit	$	(15,866,091)	$	(14,521,061)

The cash positions at September 30, 2022 and December 31, 2021 were $(1,330) and $57,177 respectively.

For the nine months ended September 30, 2022, the net cash used in operating activities was $1,721,369 as compared to net cash used in operating activities of $4,596,214 during the nine months ended September 30, 2021.

The Company is dependent on funding from related parties for operations.

While the Company will seek to maximize recoveries and reduce operating costs, estimates and assumptions influencing these parameters may prove incorrect. Incorrect assumptions may result in material differences between estimated and actual results. The Company has no way of predicting the future price and the ability to sell the developed products. As a result, revenue derived from future operations, if any, will be impacted.

The Company has historically relied upon equity financings and loans from related parties to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities in spite of alternative financial instrument available to the Company.

There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates the need of additional capital in the future to finance its ongoing operations and development, such capital to be derived from the exercise of outstanding stock options, share purchase warrants, the completion of other equity financings and/or possible issuance of corporate bonds of convertible debentures. The Company has presently limited financial resources, no assurance that additional funding will be available to it to augment the future development of its projects, although the Company has been successful in financing its activities through the sale of equity securities in the past. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions.

In recent months, the global securities markets have experienced high volatility in price and volume and companies, particularly in the life science sector, which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in the Company's share prices will not occur, or that these fluctuations will not affect the ability of the Company to raise equity funding, and if at all, without causing a significant dilution to its existing shareholders. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Capital Resources

At September 30, 2022 the Company had a share capital of $1,329,274 (December 31, 2021: $1,329,274), representing 312,832,777 (December 31, 2021: 312,832,777) common shares without par value, and an accumulated deficit of $15,866,091 (December 31, 2021: $14,521,061). The shareholders' deficiency amounted to $14,890,729 (December 31, 2021: $12,447,320).

Additional Disclosure for Venture Issuers

Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's Statement of Loss and Comprehensive Loss and Deficit included in its financial statements for the three and nine months ended September 30, 2022, and years ended December 31, 2021 and 2020 which are available on SEDAR at www.Sedar.com.

Related Party Transactions

Key Management personnel compensation

Key management personnel include the Company's executive officers and Board of Director members. Key management compensation from continuing operations, consists of the following for the nine months ended September 30, 2022, and September 30, 2021:

	September 30 2022 (unaudited)	September 30 2021 (unaudited)
	$	$
Gregory Vax, Director of PTI and ABL	**23,090**	6,257
Michael Racaniello, Director of PTI and ABL	**48,105**	525,546
Michael Semler, Director of NVG and CEO	**104,843**	9,385
Share based compensation for Directors and Officers	-	-
Total	**176,038**	**541,187**

The amounts due to/from related parties from continuing operations were as follows:

	September 30 2022 (unaudited)	December 31 2021 (audited)
	$	$
Due from related parties:		
Gregory Vax	454,297	420,193
Michael Racaniello	186,161	172,185
PTI	365,684	365,684
Others	3,312	3,312
	1,009,454	961,374
Due to related parties:		
Global 1	5,767,281	5,270,934
ARD Ventures	54,828	50,712
National Brace	3,549,474	3,160,348
Michael Semler	281,294	-
	9,652,877	8,481,995

These transactions are in the normal course of operations and, in management's opinion, are undertaken with the same terms and conditions as transactions with unrelated parties. Accordingly, these transactions are measured at exchange amounts, which are the amounts of consideration negotiated, established and agreed to by the related parties.

Advances from / to related parties

The amounts due from / to related parties are non-interest bearing, unsecured and in the normal course of operations.

Off Balance Sheet Arrangements

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

Directors and Officers

Gavin Collier	Chief Executive Officer, President and Director, appointed August 26, 2019, Resigned April 9th, 2021
Michael Semler	Chief Executive Officer, appointed April 9th, 2021; previously Chief Financial Officer, appointed March 25, 2019, Director, appointed June 7, 2019
Armand Asante	Director, appointed June 7, 2019
Darren Palestine	Director, appointed May 30, 2019, Resigned June 21st, 2021
Jordan Erskine	Chief Operating Officer, appointed August 26, 2019, Director, Appointed August 26, 2019, Resigned April 11th, 2021
Michael Racaniello	Director, appointed January 17, 2020
Jeanine Behr Getz	Director, appointed February 5th, 2021
Troy Dooly	Director, appointed June 21st, 2021
Jeff Rogers	Director, appointed June 21st, 2021

Outstanding Share Data as at November 29, 2022

	Number outstanding	Exercise Price	Expiry Date
Common shares	312,832,777		
Common shares issuable on exercise:			
Stock options	nil	$nil	

Risks and Uncertainties

An investment in the securities of Nass Valley as a junior Company is speculative and subject to risks and uncertainties.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- Costs related to disclosure requirements are a financial burden for a company presently depending on equity funding for its working capital.
- An increase in competition to any new project the company may acquire.
- No assurance about the economic viability of any project the Company may acquire.
- Additional costs may be incurred, such as availability of experts related to the acquisition, development and marketing, especially of potential new generation of products.
- Additional expenditures will be required to establish permits and patents.
- There can be no assurance that a developed business plan will succeed in whole or in part.
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly for most production projects.

The reader is encouraged to review the Company's 2A Listing Statement on www.sedar.com ("Sedar") which describes in detail all risk factors.

Litigation

Ridge Medical Supplies vs. Pro-Thotics Technology, Inc. a/k/a ProThotics Health and John Affenita, in the Supreme Court, New York State, Suffolk County, Index No. 607613/2021.

Ridge Medical Supplies alleges that the acquisition of Pro-Thotics Technology, Inc. by Advanced Bioceuticals, LLC which acquired the Company, constituted a fraudulent conveyance to avoid paying damages in the amount of $598,903.15, plus statutory interest from the date of judgment entered on December 11, 2020, a prior judgement it has against Pro-Thotics Technology, Inc. The Company believes that the claim is without merit and intends to vigorously defend against the claims asserted.

Howard Storfer vs John Affenita and Pro-Thotics Technology, Inc., Advanced Bioceuticals, LLC and the Company, Broward County, Florida, 17th Judicial Circuit, Case No. CACE 2100115 Division 5.

Howard Storfer obtained a default judgment against, among others, the Company. The court denied a motion to vacate the default. The Company and the defendants intend to appeal this decision. The Company believe that the court made numerous factual and legal errors and intend to continue to vigorously litigate this matter.

No amounts have been accrued as a result of these claims since a reliable estimate cannot currently be made.

Critical Accounting Estimates

The preparation of the Company's financial statements requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities as well as expenses.

(i) *Stock Based Compensation*
The Company uses Black-Scholes option pricing model to determine the fair value of awards for stock options granted to employees, officer, directors and consultants. These estimates are based on historical information and accordingly cannot be relied upon to predict the future behavior. These estimates are set out in notes to the annual financial statements.

(ii) *Financial Instruments*
The carrying values of the financial instruments have been estimated to approximate their respective fair values.

(iii) *Income Taxes*
The provision of income taxes is based on judgements in applying income tax law and estimates about timing, likelihood and reversal of temporary differences between accounting and tax basis of the assets and liabilities

(iv) *Going concern*
Management makes an assessment about the Company's ability to continue as a going concern by taking into the account the consideration of the various factors. Judgement is applied by management in determining whether or not the elements giving rise to factors that cause doubt about the ability of the Company to continue as a going concern are present.

Financial Instruments

The Company's financial instruments consisted of cash, due from related parties, accounts payable, due to related parties and promissory notes payable. This may change in future as the company is contemplating alternative financial instruments, like corporate bonds and/or convertible debentures. Unless otherwise noted, it is management's opinion that the Company is presently not exposed to significant interest, currency or credit risks arising from these financial instruments.

Credit risk

The Company is not exposed to significant credit risk, being in the development stage. Amounts receivable from related parties and amounts due to related parties are described in Note 8 to the financial statements.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. Although the executed transaction will drastically improve the cash flow of the Company, there can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates the need of additional capital in the future to finance ongoing development of its augmented technology, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings and the additional income from its substantial acquisition. Presently the Company still has limited financial resources and there is no assurance that additional funding will be available to it for future development of its projects, although the Company has been successful in the past in funding its activities through the sale of equity securities.

The ability of the Company to arrange additional financing besides its cash flow from its present operations will depend, in part, on the prevailing capital market conditions. The global securities markets have experienced wide fluctuations in prices which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

New Accounting Standards and Recent Pronouncements

The standards listed below include only those which the Company reasonably expects may be applicable to the Company in the current period and at a future date.

Property, plant and equipment (Amendments to IAS 16)

IAS 16, Property, plant and equipment has been revised to incorporate amendments issued by the IASB in May 2020. The amendments prohibit an entity from deducting from the cost of property, plant and equipment the proceeds from selling items produced before the asset is available for use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The amendments are effective for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.

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

IAS 1 Presentation of Financial Statements has been revised to incorporate amendments issued by the IASB in January 2020. The amendments clarify the criterion for classifying a liability as non-current relating to the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted.

Forward-Looking Statements

The statements made in this MD&A that are not historical facts contain forward-looking information that involves risk and uncertainties. All statements, other than statements of historical facts, which address the Company's expectations, should be considered forward-looking statements. Certain forward-looking information should also be considered future-oriented financial information ("FOFI") as that term is defined in NI 51-102. The purpose of disclosing FOFI is to provide a general overview of management's expectations regarding the anticipated results of operations and capital expenditures. Such statements are based on management's exercise of business judgment as well as assumptions made by and information currently available to management. When used in this document, the words "may", "will", "anticipate", "believe", "estimate", "expect", "intend" and words of similar import, are intended to identify any forward- looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company and its subsidiaries may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors.

The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. You should not place undue reliance on these forward-looking statements. These statements reflect our current view of future events and are subject to certain risks and uncertainties as contained in the Company's filings with Canadian securities regulatory authorities. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results could differ materially from those anticipated in these forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of any unanticipated events.

Although we believe that our expectations are based on reasonable assumptions, we can give no assurance that our expectations will materialize. The forward-looking statements made in this MD&A describe our expectations as at November 29, 2022.

"Michael Semler"

On behalf of the Board
Michael Semler
Chief Executive Officer