QUIKFLO HEALTH INC.

(FORMERLY VIPER GOLD LTD.)

MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE NINE MONTHS ENDED APRIL 30, 2016

This management's discussion and analysis ("**MD&A**") discusses the activities and financial position of QuikFlo Health Inc. (Formerly Viper Gold Ltd.) (the "**Company**") for the nine months ended April 30, 2016. The following information should be read in conjunction with the unaudited consolidated interim financial statements of the Company as at and for the period ended April 30, 2016 and the related notes contained therein, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Additional information can be accessed through the System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com, and the Company's website at www.vipergoldltd.com.

All dollar amounts are expressed in Canadian currency unless otherwise stated.

Date of Report - June 28, 2016 and presents material information up to this date.

Forward-Looking Statements

This MD&A may contain forward-looking statements relating to future events. In some cases, forward-looking statements can be identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "project", "should", "believe", or similar expressions. These forward-looking statements by their nature involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements, including the "Risks and Uncertainties" discussed in this MD&A. The Company considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions the reader that these assumptions regarding future events, many of which are beyond the control of the Company, may ultimately prove to be incorrect.

Brief Description of Business

The Company is a Canadian-based company whose focus was the acquisition, exploration and development of mineral resource properties. Up until May 8, 2014, the Company held an interest in certain mineral claims in Peru. At present, the Company does not own any exploration property and is not carrying out any active exploration programs. QuikFlo is a medical software company developing innovative solutions for the analysis of medical images. The Company's primary focus is now on improving outcomes for stroke patients, where existing time delays are solvable through more efficient triage based on rapid, accurate analysis of medical images.

On September 1, 2015, the Company entered into an agreement dated with the shareholders of QuikFlo Technologies Inc. ("QuikFlo"), a private Alberta company, pursuant to which Viper will acquire all of issued and outstanding QuikFlo shares in exchange for 30 million common shares of Viper ("Viper Shares") at a deemed price of $0.10 per Viper Share (the "Transaction"). QuikFlo's sole asset is the exclusive worldwide rights to intellectual property (the "QuikFlo Diagnostic Tool") that is being developed into an automated diagnostic tool which interprets computerized tomography ("CT") scans of ischemic stroke patients and provides specific treatment options to attending physicians.

The Quikflo Technologies Inc. acquisition closed on November 23, 2015. QuikFlo Health Inc. will carry on as the continuing entity under the name: QuikFlo Health Inc." ("Resulting Issuer").

Additional information and details on the QuikFlo transaction can be found on the Management Information Circular dated September 30, 2015 which is filed on SEDAR.

Nature of Operations and Going Concern

The Company was in the exploration and evaluation stage and up to May 8, 2014, it held an interest in certain mineral claims in Peru from which no revenue had been generated. The exploration and development of mineral properties involves significant financial risk, with recoverability of costs incurred being subject to future profitable production from economically recoverable reserves and/or financing through issuance of shares or sale of property interests. The mineral properties were disposed of and the Company recently acquired a company in the medical diagnostic field.

These consolidated condensed interim financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business at amounts different from those in these financial statements. Such adjustments could be material. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet ongoing administration expenses and related liabilities as they fall due.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management believes they have the ability to raise sufficient working capital to continue current operations for the next twelve months, but is aware, in making its going concern assessment, of material uncertainties related to events or conditions that cast doubt upon the entity's ability to continue as a going concern. The Company has incurred a loss in the current and prior periods, with a loss of $1,778,436 for the nine month period ended April 30, 2016, and as April 30, 2016 has an accumulated deficit of

$1,819,279 (July 31, 2015 - $40,843) and a working capital deficiency of $482,301 (July 31, 2015 – working capital of $43,228).

On February 17, 2015, the TSXV issued a bulletin confirming that the Company had completed a ten (10) for one (1) share consolidation such that a holder of ten (10) then issued and outstanding Common Shares received one (1) new Common Share (the "Consolidation"). The 18,272,000 Common Shares then issued and outstanding were exchanged for approximately 1,827,200 new Common Shares. All references to common shares, per share amounts, warrants and options for all periods presented have been retroactively restated to reflect this consolidation.

On March 4, 2015, the Company closed a non-brokered private placement of 1,500,000 common shares in the capital of the Company ("Common Shares") at a price of $0.05 per Common Share, for aggregate gross proceeds of $75,000 (the "Private Placement") Following closing of the Private Placement, Viper had 3,327,200 Common Shares issued and outstanding on a post-consolidation basis.

The Company paid cash commissions to certain registered dealers pursuant to the Private Placement in the aggregate amount of $2,800 and issued 56,000 Common Share purchase warrants ("Warrants"). Each Warrant was exercisable for one Common Share at a price of $0.10 per share prior to March 4, 2016. The proceeds from the sale of the Common Shares have been used to identify and evaluate potential business acquisitions and for general working capital purposes.

On July 14, 2015, the Company closed a non-brokered private placement of 3,250,000 units of the Company (“Units”) at a price of $0.05 per Unit for aggregate gross proceeds of $162,500. Each Unit is comprised of one common share in the capital of the Company and one warrant, with each warrant entitling the holder to purchase one share at an exercise price of $0.05 for 12 months from closing, but which were not exercisable until January 14, 2016. Following closing of the private placement, Viper had 6,577,200 common shares issued and outstanding. The Company used the proceeds for working capital purposes and to investigate business opportunities in the pharmaceutical and technology sectors.

On November 24, 2015, the Company closed a non-brokered private placement of 2, 000,000 common shares in the capital of the Company at a price of $0.25 per common share, for aggregate gross proceeds of $500,000 (the "Private Placement").

On November 24, 2015 the Company issued 30,000,000 common shares for acquisition of QuikFlo Technologies Inc.

On February 12, 2016 the Company has reached agreement to enter into a worldwide non-exclusive license agreement with the University of Western Ontario (“Western”) to use certain CT perfusion intellectual property that has been developed by Dr. Ting Lee, the Company’s former Chief Technology Officer. This technology was assigned to Western by Dr. Lee, who is a

professor at Western, in accordance with that university's policies. This same technology has been an integral part of General Electric's CT scanner programs for several years.

The Company issued to University of Western Ontario 100,000 common shares.

Results of Operations

QUIKFLO HEALTH INC.
Consolidated Interim Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	For Nine Months period ended April 30, 2016	For Three Months period ended April 30, 2016
		$	$
Expenses			
Listing expense		**564,092**	**-**
Stock based compensation		**288,668**	**-**
Management and consulting fees		**526,377**	**169,150**
Filling fees and communications		**40,704**	**12,741**
Payroll		**54,165**	**25,062**
Professional fees		**147,934**	**6,964**
General and administrative expenses		**156,396**	**16,840**
Net loss and comprehensive loss for the period		**1,778,436**	**230,757**
Basic and diluted loss per share		(0.07)	(0.01)
Weighted average number of common shares		25,369,901	39,231,644

For the nine months ended April 30, 2016, the Company incurred a net loss of $1,778,436, or $0.07 per share. For the three months ended April 30, 2016, the Company incurred a net loss of $230,757, or $0.01 per share.

The overall higher expenditures incurred in 2016 is due to costs incurred towards investigating and reviewing various potential business opportunities, some of which are no longer under consideration, and more specifically costs incurred in the QuikFlo transaction. See details in the "Brief Description of Business" section of this report and the Management Information Circular dated September 30, 2015 filed on SEDAR.

Liquidity and Capital Resources

As at April 30, 2016, the Company had a working capital deficiency of $482,301 (July 31, 2015 – working capital of $43,288). The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2016, the Company did not have sufficient cash to settle current liabilities.

At April 30, 2016 the Company had a cash balance of $17,412, and At July 31, 2016 the Company had a cash balance of $1.

As detailed earlier in the "History of the Company and Overall Performance" section of this MD&A, on May 8, 2014, the Company completed its disposition of the Corongo mining property and received net proceeds of US$200,000.

On March 4, 2015, the Company closed a non-brokered private placement of 1,500,000 common shares in the capital of the Company at a price of $0.05 per Common Share, for aggregate gross proceeds of $75,000.

On July 14, 2015, the Company closed a non-brokered private placement of 3,250,000 units of the Company ("Units") at a price of $0.05 per Unit for aggregate gross proceeds of $162,500.

The Company has been using the proceeds from the Disposition and the private placements to address its payables, development and operating capital.

Selected Quarterly Financial Information

A summary of selected financial information for the periods indicated follows:

Net Revenue and Net Income (Loss) for the last two (2) quarters

	2016 Apr. 30	**2016 Jan. 31**
Revenue (net of royalties)		
Net Income/(Loss)	(230,757)	(722,815)
Basic/Diluted Income/(Loss) Per Share	(0.01)	(0.02)
Number of weighted Average shares		

Outstanding	39,231,644	30,602,000

No dividends have been declared or paid by the Company in any of the periods presented above. The Company does not anticipate declaring or paying any dividends on its Common Shares in the foreseeable future.

Commitments and Contingencies

(a) Consulting agreements

The Company entered into a consulting agreement with Vineet Jindal, the Company's President and Chief Executive Officer, effective September 15, 2015, to provide management services to the Company. The Company will pay Mr. Jindal $US 20,000 monthly along with a signed bonus of $US 10,000. The agreement is for a three year term, expiring August 31, 2018.

On April 4, 2016, the Company amendment a consulting agreement with Vineet Jindal, the Company's President and Chief Executive Officer, effective April 1, 2016, to provide management services to the Company. The Company will pay Mr. Jindal $US 11,667 monthly.

Subsequent to the end of the period, Mr. Jindal resigned.

(b) Environmental matters

The Company's exploration activities are subject to various federal and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Significant accounting judgments and use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i. Capitalization of exploration and evaluation costs

Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits. See note 5 to the financial statements for details of capitalized exploration and evaluation costs.

ii. Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

iii. Impairment of exploration and evaluation assets

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

iv. Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws. Future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

Future Accounting Changes

Recently adopted accounting standards and interpretations issued but not yet adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2015 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 13 – Fair Value Measurement ("IFRS 13") was amended to clarify that the exception which allows fair value measurements of a group of financial assets and liabilities on a net basis applies to all contracts within the scope of IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial assets or liabilities as defined in IAS 32. The amendment is effective for annual periods beginning on or after July 1, 2014.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

IAS 24 – Related Party Disclosures ("IAS 24") was amended to clarify that an entity providing key management services to the reporting entity or the parent of the reporting entity is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. The amendments to IAS 24 are effective for annual periods beginning on or after July 1, 2014.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Compensation of Key Management and Related Party Transactions

The remuneration of directors and members of key management personnel during the nine month and three month periods ended April 30, 2016 was as follows:

	Nine Months Ended April 30, 2016	Three Month Ended April 30, 2016
Compensation	$ 849,308	$ 88,400
Share-based payments	288,768	-
	$ 1,138,077	$ 88,400

During the nine month period ended April 30, 2016, the Company incurred legal fees and share issue costs in the amount of $382,424 and $28,523 from a law firm of which a director of the Company is a partner. As at April 30, 2016, the Company owed the law firm $263,136. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the nine month period ended April 30, 2016, the former Chief Financial Officer of the Company charged the Company a total of $4,000 for services rendered as disclosed in the compensation table above. As at April 30, 2016, the Company owed the Chief Financial Officer of the Company $Nil.

During the nine month period ended April 30, 2016, the interim Chief Financial Officer of the Company charged the Company a total of $24,500 for services rendered as disclosed

in the compensation table above. As at April 30, 2016, the Company owed the Chief Financial Officer of the Company $18,000. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the nine month period ended April 30, 2016, the Chief Executive Officer of the Company charged the Company a total of $250,010 for services rendered as disclosed in the compensation table above. As at April 30, 2016, the Company owed the Chief Executive Officer of the Company $104,585. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

During the nine month period ended April 30, 2016, the Directors and their companies of the Company charged the Company a total of $163,851 for services rendered as disclosed in the compensation table above. As at April 30, 2016, the Company owed the Directors and their companies of the Company $Nil. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

Outstanding Share Data

Details about the Company's capitalization as at April 30, 2016 are as follows:

Common shares issued and outstanding	39,377,200
Potential issuance of common shares – warrants	2,550,000
Stock options issued to directors, employees, officers and consultants	4,700,000

Financial Instruments and Other Instruments

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous year.

Credit Risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss is remote. Financial instruments included in amounts receivable consist of harmonized sales tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is minimal.

Liquidity Risk

As at April 30, 2016, the Company had a working capital deficiency of $482,301 (July 31, 2015 – working capital of $43,288). The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2016, the

Company does not have sufficient cash to settle current liabilities.

Market Risk

At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to productions costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has cash balances and currently does not carry interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its financial institutions. As at January 31, 2016, the Company's exposure to interest rate risk is minimal.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. As at April 30, 2016, the Company had cash balances of $20 (July 31, 2015 - $Nil) in U.S. dollars. Sensitivity to a plus or minus 5% change in the foreign exchange rate would not have had a material effect to the net loss for the nine month period ended April 30, 2016. The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

Fair Value of Financial Assets and Liabilities

The book values of the cash, amounts receivable, and accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these instruments.

The fair values together with the carrying amounts shown in the statements of financial position are as follows:

	As at April 30, 2016		As at July 31, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash	$ 17,412	$ 17,412	$ 1	$ 1
Sales tax receivable	10,512	10,512	1,790	1,790
Accounts payable and accrued liabilities	527,663	527,663	45,079	45,079

Adoption of New and Revised Reporting Standards

The Company adopted all new and revised standards issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB effective for periods beginning on or before January 1, 2015, being amendments related to the Annual Improvements to IFRSs 2010-2012 and 2011-2013 Cycles. The amendments related to the Annual Improvements Cycles clarified standards already in effect and did not impact the Company's interim financial position, results of operations or disclosures.

The Company did not adopt any new or revised standards in advance of their effective dates.

Capital management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that is can continue to pursue the evaluation of its exploration properties. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its assets. The Company's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Company considers its capital structure to include the components of shareholders' equity. In order to maintain or adjust the capital structure, the Company may from time to time issue shares and adjust its capital spending to manage current and projected debt levels. To assess capital and operating efficiency and financial strength, the Company continually monitors its net cash and working capital. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

Regulatory Risks

The activities and biomedical products of the Company will be subject to regulation by governmental authorities, including Health Canada, the U.S. Food and Drug Administration, and others. Achievement of the Company's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Company cannot predict the time required to secure all appropriate regulatory approvals for its products,

or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Company.

Limited Operating History

The Company has yet to generate revenue from the sale of products. The Company is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Reliance on Management

The success of the Company is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management. While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Dependence on patent and other proprietary rights.

The Company operates in an industry characterized by extensive patent litigation. Patent litigation can result in significant damage awards and injunctions that could prevent the manufacture and sale of affected products or require the Company to pay significant royalties in order to continue to manufacture or sell affected products. At any given time, the Company could be involved as both a plaintiff and a defendant in a number of patent infringement actions, the outcomes of which may not be known for prolonged periods of time. While it is not possible to predict the outcome of patent litigation, the Company believes the results associated with any such litigation could result in the payment of significant monetary damages and/or royalty payments, negatively impacting the ability to sell current or future products, or prohibiting the Company from enforcing its patent and proprietary rights against others, which would generally have a material adverse impact on consolidated earnings, financial condition, and/or cash flows.

Factors which may Prevent Realization of Growth Targets

The Company is currently in the early development stage. There is a risk that the Company will not be able to obtain additional resources on time, on budget, or at all, as they can be adversely affected by a variety of factors, including some that are discussed elsewhere in these risk factors and the following:

- delays in obtaining, or conditions imposed by, regulatory approvals;
- non-performance by third party contractors;
- increases in materials or labour costs;
- construction performance falling below expected levels of output or efficiency;
- breakdown, aging or failure of equipment or processes;
- contractor or operator errors;
- labour disputes, disruptions or declines in productivity; and
- inability to attract sufficient numbers of qualified workers.

As a result, there is a risk that the Company may never have product for shipment to meet the anticipated demand or to meet future demand when it arises.

The Company has a history of net losses, may incur significant net losses in the future and may not achieve or maintain profitability.

The Company has incurred losses in recent periods. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, the Company will not be profitable.

Additional Financing

The building and operation of production facilities and businesses are capital intensive. In order to execute the anticipated growth strategy, the Company will require some additional equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available when needed or on terms which are acceptable. The Company's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions could limit its growth and may have a material adverse effect upon future profitability.

If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

The biomedical and medical software devices & pharmaceutical industries are highly competitive

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and

manufacturing and marketing experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and results of operations of the Company.

The Company faces a mixture of competitors ranging from large manufacturers with multiple business lines to small manufacturers that offer a limited selection of niche products. Development by other companies of new or improved products, processes, or technologies may make our products or proposed products less competitive.

In the current environment of managed care, consolidation among health care providers, increased competition, and declining reimbursement rates, the Company may be increasingly required to compete on the basis of price. In order to continue to compete effectively, the Company must continue to create, invest in, or acquire advanced technology, incorporate this technology into its proprietary products, obtain regulatory approvals in a timely manner, and manufacture and successfully market our products. Given these factors, the Company cannot guarantee that it will be able to continue its level of success in the industry.

Because of the early stage of the industry in which the Company intends to operate, the Company expects to face additional competition from new entrants. To be competitive, the Company will require a continued high level of investment in research and development, marketing, sales and client support. The Company may not have sufficient resources to maintain research and development, marketing, sales and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition and results of operations of the Company.

Product Liability

As a manufacturer and distributor of biomedical products, the Company will face an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury. The Company may be subject to various product liability claims, including, among others, that its products caused injury or illness, include inadequate instructions for use or include inadequate warnings. A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on the Company's results of operations and financial condition. There can be no assurances that the Company will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all.

The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of the Company's potential products.

Product Recalls

Manufacturers and distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labeling disclosure. If any products are recalled due to an alleged product defect or for any other reason, the Company could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Company may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Company intends to have detailed procedures in place for testing finished products, there can be no assurance that any problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if one of the Company's products were subject to recall, the image of the brand and the Company could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Company's products and could have a material adverse effect on the results of operations and financial condition of the Company. Additionally, product recalls may lead to increased scrutiny of the Company's operations by Health Canada or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.

Consolidation in the health care industry could have an adverse effect on the business

Many health care industry companies, including health care systems, are consolidating to create new companies with greater market power. As the health care industry consolidates, competition to provide goods and services to industry participants will become more intense. These industry participants may try to use their market power to negotiate price concessions or reductions for medical devices that incorporate components produced by the Company. If the Company is forced to reduce its prices because of consolidation in the health care industry, revenues would decrease and consolidated earnings, financial condition, and/or cash flows would suffer.

The business is indirectly subject to health care industry cost-containment measures that could result in reduced sales of medical devices

Most of the Company's future customers, and the health care providers to whom future customers supply medical devices, rely on third-party payers, including government programs and private health insurance plans, to reimburse some or all of the cost of the procedures in which medical devices that incorporate components we manufacture or assemble are used. The continuing efforts of governmental authorities, insurance companies, and other payers of health care costs to contain or reduce these costs could lead to patients being unable to obtain approval for payment from these third-party payers. If third-party payer payment approval cannot be obtained by patients, sales of medical devices may decline significantly and customers may reduce or eliminate purchases of the Company's products. The cost-

containment measures that health care providers are instituting, both in the U.S. and internationally, could harm the Company's ability to operate profitably.

The development of products depends upon the Company's ability to maintain strong relationships with physicians

If the Company fails to maintain working relationships with physicians, many of its products may not be developed and marketed in line with the needs and expectations of the professionals who use and support the Company's products, which could cause a decline in earnings and profitability. The research, development, marketing, and sales of the Company's products is dependent upon the ability to maintain working relationships with physicians. The Company relies on these professionals to provide knowledge and experience regarding the development, marketing, and sale of its products. Physicians assist as researchers, marketing and product consultants, inventors, and public speakers. If the Company is unable to maintain strong relationships with these professionals, the development and marketing of its products could suffer, which could have a material adverse effect on consolidated earnings, financial condition, and/or cash flows.

Dependence on Suppliers and Skilled Labour

The ability to compete and grow will be dependent on the Company having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components.

Difficulty to Forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this stage of the medical device industry in Canada. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Operating Risk and Insurance Coverage

The Company intends to obtain insurance to protect its assets, operations and employees. While the Company believes insurance coverage can adequately address all material risks to which it may be exposed and is adequate and customary in its current state of operations, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which the Company is exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Company's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain

liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability to deal with this growth may have a material adverse effect on its business, financial condition, results of operations and prospects.

Conflicts of Interest

Certain of the directors and officers of the Company are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company, such a decision could adversely affect its ability to continue operating. Even if the Company is involved in litigation and wins, litigation can redirect significant company resources.

The market price of the Common Shares may be subject to wide price fluctuations

The market price of the Common Shares may be subject to wide fluctuations in response to many factors, including variations in operating results, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, legislative changes, and other events and factors outside of the Company's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Common Shares.

Dividends

The Company has no earnings or dividend record, and does not anticipate paying any dividends on the Common Shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Limited Market for Securities

There can be no assurance that an active and liquid market for the Common Shares will develop or be maintained and an investor may find it difficult to resell any securities of the Company.

Financial instruments and risk management

Set out below is a comparison, by category, of the carrying amounts and fair values of all of the Company financial instruments that are carried in the financial statements and how the fair value of financial instruments is measured.

Fair values

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities. The Company has no level 1 financial instruments.
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). Cash equivalents are classified as level 2 financial instruments; and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The Company has no level 3 financial instruments.

The carrying value of cash equivalents and accounts payable and accrued liabilities reflected in the statements of financial position approximate fair value because of the limited term of these instruments.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (currency fluctuations, interest rates and commodity prices. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents. Cash and cash equivalents are composed of financial instruments issued by large Canadian financial institutions with high investment grade ratings and are closely monitored by management. Management believes credit risk with respect to cash is minimal.

Liquidity risk

As at January 31, 2016, the Company had a working capital deficiency of $482,301 (July 31,

2015 – working capital of $43,288). The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2016, the Company did not have sufficient cash to settle current liabilities.

Market risk

Market risk is the risk that changes in foreign exchange rates, commodity prices, and interest rates will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Foreign exchange risk

The Company does not currently hold significant balances in foreign currencies to give rise to foreign exchange risk. However, the company is committed to developing further R&D operations in the United States as this is the largest global market for the Company's biomedical products. As these operations expand, significantly more of the Company's expenses are expected to be incurred in U.S. Dollars. While the Company intends to implement prudent exchange rate risk mitigation steps, changes in foreign exchange rates between the Canadian and U.S. dollars may have a significant impact on the Company's financial performance in the future.

Commodity price risk

The Company has no significant exposure to fluctuations in commodity prices. Manufacturing of the Company's biomedical products require certain industrial commodities; however, the cost for such raw materials is not considered material to the overall performance of the Company.

Interest rate risk

The Company is not exposed to interest rate risk as it has no revolving loan facilities.

Outlook

The current priorities for QuikFlo Health Inc. ("the Company") are to engage professional industry-experience development personnel and to arrange funding, both equity and non-equity, and keep advancing product development.

The ability of the Company to realize its business plan and continue operations is dependent upon the Company being able to commercialize a product for sale, to finance research, development and commercialization costs and compete in a competitive marketplace for diabetes monitoring products. Although the Company believes it will be successful, there is no guarantee the Company will produce a product that is marketable or obtains consumer acceptance.

Additional Information

Additional information on the Company can be accessed through www.sedar.com.