QUIKFLO HEALTH INC.

MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE SIX MONTHS ENDED JANUARY 31, 2017

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 six month period ended January 31, 2017. The following information should be read in conjunction with the unaudited interim consolidated financial statements of the Company as at and the audited consolidated financial statements of the Company for the period ended July 31, 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 – February 22, 2017 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."

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

Viper Gold Ltd. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on January 29, 2008. The Company's executive office is located at 430 – 580 Hornby Street, Vancouver, British Columbia, Canada. Viper Gold Ltd. (the "Company") changed its name to QuikFlo Health Inc. on November 23, 2015. The Company was in the business of acquiring and exploring mineral properties. The Company has recently acquired a company in the medical diagnostic field, and has therefore switched its focus to developing innovative solutions for the analysis of medical images. Primarily, the Company is focused on improving outcomes for stroke patients, where existing time delays are solvable through more efficient triage based on rapid, accurate analysis of medical images.

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 stroke 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. These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern. 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 and at amounts different from those in the accompanying consolidated financial statements. Such adjustments could be material.

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 can 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 raise significant doubt upon the entity's ability to continue as a going concern. For the six month period ended January 31, 2017 the Company has incurred a loss of $352,379 (2016 - $1,108,286) and has an accumulated deficit of $4,051,041 (July 31, 2016 - $3,715,623) and a working capital deficiency of $994,833 (2016 - $682,875).

Acquisition of QuikFlo Technologies Inc.

On November 23, 2015, QuikFlo Health acquired a 100% ownership in QuikFlo Technologies by issuing 30,000,000 common shares to the shareholders of QuikFlo Technologies. For accounting purposes, this acquisition is accounted for as a reverse takeover transaction and recapitalization as the acquisition resulted in the former shareholders of QuikFlo Technologies having control of the combined entity. This was accounted for as an acquisition of assets of QuikFlo Health and not a business combination. Accounting for the acquisition as a reverse takeover results in the following:

i. The consolidated financial statements of the combined entities are issued as the consolidated financial statements of the legal parent, QuikFlo Health, but are considered a continuation of the financial statements of the legal subsidiary, QuikFlo Technologies.
ii. Since QuikFlo Technologies is deemed to be the acquirer for accounting purposes, its assets and liabilities are included in the consolidated financial statements at their historical carrying values.
iii. The deficit of QuikFlo Health up to the date of acquisition was eliminated.
iv. The number of shares issued in the consolidated entity is that of QuikFlo Health up to the RTO date on November 23, 2015, plus all shares issued on and after the RTO date. The dollar amount of the issued share capital in the consolidated statement of financial position immediately prior to acquisition is the dollar value of QuikFlo Technologies' issued capital up to the RTO date on November 23, 2015 plus the value of all shares issued by the Company on and after the RTO date, including the value of shares issued to acquire QuikFlo Technologies.
v. Change of fiscal year end from December 31 to July 31 to coincide with the fiscal year end of QuikFlo Technologies.

The fair value of the consideration paid by QuikFlo Technologies for the acquisition of QuikFlo Health this based on the fair value of equity instruments in the combined entities allocated to the existing shareholders in QuikFlo Health. The consideration paid by QuikFlo Technologies consists of the fair value of QuikFlo Health's common shares, share purchase options and share purchase warrants outstanding immediately before the date of the reverse takeover acquisition. The identifiable assets acquired and liabilities of QuikFlo Health assumed by QuikFlo Technologies are measured at their fair values at the acquisition date. Excess of the aggregate of the consideration transferred by QuikFlo Technologies over the fair value of the identifiable net assets acquired and liabilities of QuikFlo Health assumed by QuikFlo Technologies is attributable to the cost of obtaining a listing status. This amount is expensed as it does not meet the criteria for recognition as an asset.

The following are the fair values of QuikFlo Health's assets acquired and liabilities assumed by QuikFlo Technologies on November 23, 2015 and consideration paid by QuikFlo Technologies:

Net assets acquired:	$
Cash and cash equivalents	475,307
Prepaid expenses	34,301
Accounts payable and accrued liabilities	(252,091)
Total net assets acquired	257,517
Consideration paid:	
Fair value of QuikFlo Health's existing common shares deemed issued by QuikFlo Technologies (Note 6)	1,715,400
Fair value of QuikFlo Health's existing post consolidation share purchase warrants deemed granted by QuikFlo Technologies (Note 6)	515,200
Total consideration paid	2,230,600
Listing expense	1,973,083

INTANGIBLE ASSETS

On July 27, 2015, the Company acquired all of the rights, title and interest in and to the intellectual property rights and technology rights ("IP Rights") related to an automated imaging tool for quick and appropriate triage of stroke patients by way of an intellectual property assignment agreement. The intellectual property rights comprise a worldwide, perpetual right, title and interest in the invention and any improvements that may be afforded protection under laws of a given jurisdiction through the application and granting of a patent, trademark, copyright or other similar forms of intellectual property protection. The intellectual property rights include a United States provisional patent application that was filed on December 1, 2014. QuikFlo filed a regular utility patent application by December 1, 2015 to claim priority to and the benefit of the provisional patent filing date. If the full patent is granted in the United States, the technology detailed in the patent will be protected for a period of 20 years. The technology rights comprise the right, title and interest in any technical information, know-how, processes, procedures, compositions, devices, methods, formulae, protocols, techniques, software, designs, drawings or data created. In consideration for the IP Rights, the Company issued 600 common shares to the inventors of the IP Rights with an estimated grant date fair value of $625 per common share based on the value of common shares issued for cash around the same date, for total consideration of $375,000. Additionally, the Company signed an Assignment Agreement with UTI Limited Partnership for the IP Rights. Pursuant to this agreement, the Company shall pay the following i) a running royalty of 1% of net sales; ii) royalty conversion at the time of a liquidation event or an Initial Public Offering ("IPO") equal to 1% of the aggregate consideration for a liquidation event or a valuation for an IPO; and iii) change of control fee equal to 2% of either the aggregate consideration for a liquidation event or a valuation for an IPO.

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. In consideration for the license agreement, the Company issued 100,000 common shares to Western with a grant date fair value of $0.14 per common share, for total consideration of $14,000. Pursuant to this agreement, the Company shall pay the following i) a running royalty of 0.5% of net sales; ii) change of control fee equal to 0.5% of the aggregate consideration for a liquidation event.

Issued common shares

	Number of Shares	Amount $
Balance at July 31, 2015	601	372,555
Common shares issued for cash	400	250,000
Reverse takeover transaction (RTO) (Note 4)	(1,001)	-
RTO acquisition of QuikFlo Technologies (Note 4)	30,000,000	-
QuikFlo Health shares on RTO (Note 4)	8,577,200	1,715,400
Common shares issued for warrant exercise	700,000	144,300
Common shares issued for license acquisition (Note 5)	100,000	14,000
Balance at July 31, 2016	39,377,200	2,496,255
Common shares issued for cash	318,750	25,500
Common share issued costs	-	(2,040)
Balance at January 31, 2017	39,695,950	2,519,715

Prior to the reverse takeover, QuikFlo Technologies issued 400 common shares, to officers and directors of the Company, for total proceeds of $250,000.

During the year, the Company issued 700,000 common shares for warrants exercised for total proceeds of $35,000 (residual recorded in share based payments reserve).

The Company issued to Western 100,000 common shares for the license acquisition (Note 5).

During the three month period ended October 31, 2016, the Company issued 318,750 units at $0.08 per unit for gross proceeds of $25,500. Each unit is made up of one common share and one common share purchase warrant, whereby each warrant is exercisable for one common share at a price of $0.20 per share for 18 months.

During the six month period ended January 31, 2017, 3,475,000 stock options were forfeited, 3,400,000 of which were forfeited by directors and officers.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Six Months Ended January 31, 2017 (Unaudited)	Six Months Ended January 31, 2016 (Unaudited)	Three Months Ended January 31, 2017 (Unaudited)	Three Months Ended January 31, 2016 (Unaudited)
	$	$	$	$
EXPENSES				
Listing expense	**5,001**	**-**	**3,987**	**-**
Stock based compensation	**-**	**-**	**-**	**-**
Management and consulting fees	**180,002**	**357,227**	**98,751**	**206,032**
Filling fees and communications	**2,306**	**27,963**	**1,094**	**12,296**
Payroll	**-**	**29,103**	**-**	**24,926**
Professional fees	**160,943**	**554,438**	**131,387**	**409,739**
General and administrative expenses	**4,128**	**139,556**	**3,871**	**69,822**
Net loss and comprehensive loss for the year	**352,379**	**1,108,286**	**239,089**	**722,815**
Basic and diluted loss per share	(0.01)	(0.06)	(0.01)	(0.02)
Weighted average number of common shares	39,621,460	18,589,700	39,695,950	30,602,000

For the six months ended January 31, 2017, the Company incurred a net loss of $352,379 or $0.01 per share. (2016 - $1,108,286 or $0.06 per share). For the three months ended January 31, 2017, the Company incurred a net loss of $239,089, or $0.01 per share (2016 - $113,290 or $Nil per share).

The overall lower the management and consulting expenditures incurred in the six months period ended January 31, 2017 is due to costs incurred towards investigating and reviewing

various potential business opportunities, some of which are no longer under consideration, and less specifically costs incurred in the QuikFlo transaction.

Liquidity and Capital Resources

As at January 31, 2017, the Company had a working capital deficiency of $1,011,793 (January 31, 2016 – $264,873). The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2017, the Company did not have sufficient cash to settle current liabilities.

At January 31, 2017 the Company had a cash balance of $9,484, and at January 31, 2016 the Company had a cash balance of $90,772.

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 used 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 (5) quarters

	2017 Jan. 31	**2016 Oct. 31**	**2016 Jul. 30**	**2016 Apr. 30**	**2016 Jan. 31**
Revenue (net of royalties)					
Net Income/(Loss)	(239,089)	(113,290)	(2,721,208)	(230,757)	(722,815)
Basic/Diluted Income/(Loss) Per Share	(0.01)	(0.00)	(0.07)	(0.01)	(0.02)
Number of weighted Average shares Outstanding	39,695,950	39,695,950	39,377,200	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

The Company entered into a lease for office space for 12 months from February 1, 2017 to January 31, 2018. The Company has a rental commitment of $18,139 at January 31, 2018 (2017 - $Nil).

The Company entered into a consulting agreement, with a senior engineer, for 3.5 years from December 15, 2015 to January 1, 2019. The Company has a commitment of $221,676 at January 31, 2017 (2016 - $316,680).

Significant accounting judgments and use of estimates

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ materially from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis with revisions to the accounting recognized in the period in which the estimates are revised and in any applicable future period. Significant assumption 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:

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.

Intangible assets' carrying values and impairment charges

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information 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 August 1, 2016 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 is part of the IASB's wider project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets, amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018; with earlier adoption permitted.

IAS 1 – Presentation of Financial Statements

The amendments to IAS 1 are a part of a major initiative to improve disclosure requirements in IFRS financial statements. The amendments clarify the application of materiality to note disclosure and the presentation of line items in the primary statements provide options on the ordering of financial statements and additional guidance on the presentation of other comprehensive income related to equity accounted investments. The effective date for these amendments is for annual periods beginning on or after January 1, 2016; with earlier adoption permitted.

IAS 38 - Intangible Assets and IAS 16 – Property, Plant and Equipment

In May 2014, the IASB issued amendments to IAS 16 and IAS 38 to clarify acceptable methods of depreciation and amortization. The amended IAS 16 eliminates the use of a revenue-based depreciation method for items of property, plant and equipment. Similarly, amendments to IAS 38 eliminate the use of a revenue-based amortization model for intangible assets except in certain specific circumstances. The amendments are to be applied prospectively and are effective for annual periods beginning on or after January 1, 2016, with earlier application permitted.

IFRS 16 - Leases

In January 2016, the IASB issued the standard to replace IAS 17 "Leases". For lessees applying IFRS 16, a single recognition and measurement model for leases would apply, with required recognition of assets and liabilities for most leases. The standard will come into effect for annual periods beginning on or after January 1, 2019, with earlier adoption permitted.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes principles for reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It provides a single model for an entity to recognize revenue in order to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. IFRS 15 supersedes the following standards: IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue- Barter Transactions Involving Advertising Services. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. This standard is effective for annual periods beginning on or after January 1, 2017.

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 six month period ended January 31, 2017 and 2016 were as follows:

	2017	2016
Compensation	36,809	760,908
Stock based compensation	-	-
Total	36,809	760,908

During the six month period ended January 31, 2017, the Company incurred legal fees and share issue costs in the amount of $80,034 (2015 – $382,424 and $28,523) from a law firm of which a director of the Company is a partner. As at January 31, 2017, the Company owed the law firm $318,977 (2016 – $263,136). These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

As at January 31, 2017, the Company owed directors and officers $102,000 (2016 - $116,669). These amounts are included in accounts payable and accrued liabilities on the statement of financial position and are unsecured, non-interest bearing with no fixed terms of repayment.

As at January 31, 2016, the Company has a loan with a director of the Company for $181,000 (2016 - $nil). This loan is unsecured, non-interest bearing with no fixed terms of repayment.

Outstanding Share Data

Details about the Company's capitalization as at January 31, 2017 are as follows:

Common shares issued and outstanding	39,695,950
Potential issuance of common shares – warrants	318,750
Stock options issued to directors, employees, officers and consultants	1,100,000

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 management

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 receivables. 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 January 31, 2017, the Company had a working capital deficiency of $1,011,793 (2016 – $264,873). The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2017, the Company does not have sufficient cash to settle current liabilities.

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 January 31, 2017, the Company had cash balances of $487 (2016 - $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 year. The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

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. It is management's opinion that the Company is not exposed to significant interest rate risk.

Fair value of financial assets and liabilities

IFRS 13 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities,

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly (ie. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs that are not based on observable market data.

The statement of financial position carrying values of the cash, sales tax receivable, accounts payable and accrued liabilities and shareholder loan approximate their respective fair values due to the short-term nature of these instruments.

CAPITAL RISK MANAGEMENT

The Company defines capital as Shareholders' Equity which at January 31, 2017 was $(622,793) (2016 - $2,492,601). The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration, development and operations activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the development of its intellectual property and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing bank indebtedness or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. As at January 31, 2017, the Company had no bank debt (2015 - $nil). As discussed in Note 2, the Company's ability to continue to carry out its planned operations is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

Management reviews its capital management approach on an ongoing basis. There were no changes in the Company's approach to capital management during the six months ended January 31, 2017 and for the year ended July 31, 2016. The Company is not subject to externally imposed capital requirement.

	As at January 31, 2017		As at January 31, 2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash	$ 9,484	$ 9,484	$ 90,772	$ 90,772
Sales tax receivable and prepaid	28,253	28,253	60,512	60,512
Accounts payable and accrued liabilities	852,530	852,530	416,157	416,157

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, 2017, the Company had a working capital deficiency of $994,833 (2016 – $264,873). The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2017, the Company does 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 Company recently entered into a letter of intent to acquire two US marijuana companies in Las Vegas, Nevada. The acquisitions include a 12,000 sq. ft. licensed medical marijuana cultivation/production facility and packaging center with over $1 million in medicinal sales in its first year of operation. The second acquisition is of a start-up company that develops and markets hemp based and CBD infused products for sales nationwide.

QuikFlo will acquire a non-arms' length private company which has arms' length agreements dated January 25, 2017 in place to acquire 91% of both the medical marijuana production facility company and the related infused product company. QuikFlo is currently undertaking a non-brokered private placement of up to $7,500,000, subject to regulatory approval. Arms' length finders fees will be paid in an amount still to be negotiated. The Company is offering units at a price of $0.075 per unit, with each unit consisting of one common share and one half of a share purchase warrant entitling the holder to purchase one additional common share for $0.15 for a period of 2 years from closing. The warrants will contain a forced conversion provision that if the shares of the Company trade at $0.25 or more for a period of 10 trading days, the Company has the option to accelerate the expiry date to no less than 30 days from a press release advising of the same. The Company will pay qualified finders a commission of 8% in cash and finder's warrants.

The Company anticipates paying approximately US $3.7 million and issuing approximately 60 million shares in respect to this transaction, in addition to the private placement shares. This transaction is subject to all conditions customary in acquisitions of this kind, including due diligence and regulatory approval from county and state health authorities.

The Company intends to keep developing its stroke diagnostic tool but will look for strategic partners to complete the device.

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.