Rapid Dose Therapeutics Corp.

Management's Discussion and Analysis
November 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") provides discussion and analysis of the financial condition and results of operations of Rapid Dose Therapeutics Corp. (the "Company" or "RDT") for the three months ended November 30, 2023, and should be read in conjunction with the unaudited Condensed Consolidated Interim Financial Statements and the accompanying notes which have been prepared in accordance with International Financial Reporting Standards.

The MD&A is the responsibility of management and is dated as of January 29, 2024

All dollar amounts in the MD&A are stated in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR at www.sedar.com and the Company's website at www.rapid-dose.com.

Forward-Looking Statements

Certain statements in this MD&A may contain "forward-looking information," within the meaning of applicable securities laws, including the "safe harbour provisions" of the Securities Act (Ontario) with respect to the Company. Such statements include, but are not limited to, statements with respect to expectations, projections or other characterizations of future events or circumstances, and our objectives, goals, strategies, beliefs, intentions, plans, estimates, projections, and outlook, including statements relating to our plans and objectives, or estimates or predictions of actions of customers, suppliers, competitors, or regulatory authorities. These statements are subject to certain risks, assumptions and uncertainties that could cause actual results to differ materially from those included in the forward-looking statements. The words "believe", "plan", "intend", "estimate", "expect", "anticipate" and similar expressions, as well as future or conditional verbs such as "will", "should", "would" and "could" often identify forward-looking statements. We have based these forward-looking statements on our current views with respect to future events and financial performance. With respect to forward-looking statements contained in this MD&A, the Company has made assumptions and applied certain factors regarding, among other things: future product pricing; costs of inputs; its ability to market products successfully to its anticipated clients; reliance on key personnel; regulatory requirements; the application of federal and state environmental laws; and the impact of increasing competition. These forward-looking statements are also subject to the risks and uncertainties discussed in the "Risks Factors" section of the CSE Listing Statement as filed on SEDAR and elsewhere in this MD&A and other risks detailed from time to time in the publicly filed disclosure documents of the Company which are available at www.sedar.com and on the Company's website at www.rapid-dose.com. Forward-looking statements are not a guarantee of future performance and involve risks, uncertainties and assumptions which could cause actual results to differ materially from the conclusions, forecasts or projections anticipated in these forward-looking statements. Because of these risks, uncertainties and assumptions, the reader should not place undue reliance on these forward-looking statements. The Company's forward-looking statements are made only as of the date of this MD&A and, except as required by applicable law, the Company undertakes no obligation to update or revise these forward-looking statements to reflect new information, future events, or circumstances.

See page 14 for Material assumptions and risk factors for forward-looking statements.

The Company

The Company is a public Canadian life-sciences corporation that provides innovative, proprietary, drug-delivery technologies designed to improve outcomes and quality of lives. The Company owns a proprietary oral fast-dissolving drug delivery system, QuickStrip™, which is capable of rapidly releasing into the blood stream a list of pharmaceuticals, emulsified oils, and over-the-counter medicines without being degraded or modified by first pass metabolism in the liver. The Company also provides product innovation, production and consultation to the nutraceutical, cannabis healthcare and pharmaceutical manufacturing industries.

The Company is a reporting issuer in Ontario, Alberta and British Columbia and its common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the trading symbol "DOSE".

The Company is incorporated under the laws of Ontario. Its head office and registered office is located at 1121 Walker's Line, Unit 3A, Burlington, Ontario, L7N 2G4.

Business Overview

For the three months ended November 30, 2023, the Company recognized revenue of $233,814 (November 30, 2022 – $305,629) and incurred a net comprehensive loss of $981,078 (November 30, 2022 - $583,504). Expenses during the period, amounting to $1,110,477 (November 30, 2022 – $810,990) were increased for costs incurred for business development and costs of financing. The Company expects losses to continue in the near term as it completes the final stages of its preparations for global product launches in nutraceuticals, pharmaceuticals, cannabis, and vaccines. The losses limit the Company's ability to fund its operations.

As of November 30, 2023, the Company had a working capital deficiency of $3,932,834 (February 28, 2023, $4,280,550) and an accumulated deficit of $37,219,936 (February 28, 2023 - $34,967,555).

The continued operation of the Company is dependent upon the support of its creditors and the Company's ability to secure advances from related parties and debt and equity financing to meet its existing obligations and finance its operations.

Operational highlights

The company focused on revenue generating activities during the quarter along with undertaking new financing for both working capital and for existing debt repayment. Revenue generation agreements put in place during the second quarter resulted in initial shipments of products in both the health & wellness and cannabis sectors.

- In November 2023, placed first shipment of cannabis products with the Ontario Cannabis Retail Corporation ("OCS") for distribution through its online and retail stores channels;
- Obtained Health Canada import licence for nutraceuticals. The Company developed its channel partner relationships during the year building a Canadian retail stores customer base to sell RDT's nutraceutical products;
- Introduced new products to the Canadian dental market. In 2023, RDT entered into a pharmaceutical collaboration agreement with Skycare Compounding Labs to develop, manufacture and distribute QuickStrips containing active pharmaceutical ingredients. The initial product, Lidocaine used in dental applications was tested during the 3rd and 4th quarters of the fiscal year with a launch date into dental practices as of August 1, 2023. In July 2023, the Company entered into an agreement with Henry Schein to distribute the dental products in the Canadian dental market. The agreement provides for six months of exclusivity in order to provide Henry Schein the opportunity to develop an initial market presence. Sales to dental offices commenced in September 2023;
- Extended the pre-commercialization agreement for a further six months providing the time required for US product approvals. In December 2022, RDT was contracted to formulate and develop an oral thin film strip containing nicotine as the active ingredient. The pre-commercialization project extends through to June 2024. Consulting services revenue derived from the project amounted to USD$90,000 in the second quarter of the 2024 fiscal year;

Secured convertible notes private placement financing

On September 22 and November 14, 2023 the Company closed the second and third tranches of its secured convertible note private placement financing raising $810,000. Subsequent to the end of the fiscal quarter, on December 22, 2023 the Company closed a fourth tranche of the private placement raising an additional $833,000. The funds were used, in part, to retire the secured promissory note obligation of $500,000 which had matured on November 30, 2023.

On July 21, 2023, the Company closed its first tranche of its $5,000,000 private placement financing which had been announced on June 13, 2023. The purpose of the financing is to provide working capital and repayments of secured and unsecured debt obligations maturing in the current fiscal year. he first tranche provided $732,754 of new financing to cover operations during the four months of the 2024 fiscal year. Existing related party obligations of $500,000 were exchanged for convertible notes and $210,000 of unsecured loans payable were exchanged for convertible notes as part of the first tranche financing. Accrued interest of $23,706 owing on the unsecured loans was also exchanged for convertible notes as part of the first tranche closing.

Subsequent closing of tranches in September, November and December raised an additional $1,665,000. Please see page 12 for a detailed description of the tranches.

Social Responsibility

The Company fosters an environment of social responsibility in every aspect of the business which promotes tolerance, acceptance, and care of People, Products, and the Planet. The Company remains committed to discovering ways to mitigate excess packaging (within the regulations), reduce overall waste, and find environmental solutions that align with its mission to make an impactful difference in the lives of its customers. As the Company's plan for the introduction of new Cannabis 2.0 regulated products and non-regulated Hemp topical lotions continue to evolve, research into the various packaging methods has been successful in developing novel formats that encourage environmental responsibility. The Company also continues to reinforce the concept of a remote, flexible workplace, which allows each team member to function from their remote locations and limit face to face meetings to respond to the pandemic safety measures as well as commit to reducing our carbon footprint in as many ways as possible.

Nutraceutical and Micro Processing Licences

Product approvals

On January 22, 2024 the Company obtained a renewal of its CRA Excise License for Cannabis with an extension to the maturity date of its Health Canada cannabis licensing of May 15, 2024. In August 2023, the Company's cannabis excise licence compliance was audited by the Canada Revenue Agency as part of their recurring review practices of licensed facilities. No liabilities to the Company or change to the excise license arose as a result of the audit.

In June 2023, the Company received approval from the Ontario Cannabis Stores for two recreational products to be sold through the OCS retail and on-line channels, with the first shipment occurring in November 2023.

On June 19, 2023, the Company renewed its NHP site licence for the importation of nutraceutical products. The Company is in the process of further updating its site licence to enable on-site manufacturing of nutraceutical products.

On November 15, 2022, the Company received its sales renewal licence from Health Canada enabling the Company to sell its cannabis products to the Canadian recreational market through the provincial retail distribution channels. Sales of products commenced in November 2023 through OCS as indicated above.

In July 2021 the Company was audited by the Cannabis Directorate of Health Canada for the purpose of obtaining a full cannabis sales licence. The follow-on Inspection Report issued August 13th 2021 contained no major or critical observations.

On November 15, 2019, the Company was granted a micro-processing licence by Health Canada for its Burlington, Ontario facility in accordance with the Cannabis Act and Cannabis Regulations. The micro-processing licence will enable the Company to produce cannabis infused QuickStrip™ products for the Canadian market under manufacturing agreements with Canadian licensed producers.

Manufacturing Agreements

The Company manufactures private label QuickStrip™ products for the Canadian market at its facilities located in Burlington, Ontario.

The Company has manufacturing agreements with the following companies:

Licensed Producer	Date of agreement	Term	Products	Territory
Thrive Cannabis	August 8, 2019	5 years	CBD and THC products for medical and recreational markets	Canada
Tilray/Aphria Inc.	June 3, 2020	5 years	CBD, and THC products for medical and recreational markets	Canada
Rose Life	April 2023	2 years	CBD, and THC products for	Quebec

Thrive (Aurora)
The Company produces CBD and THC QuickStrip™ products for Thrive which have been introduced by Thrive throughout Canada into the recreational cannabis market commencing in January 2021 QuickStrip produced products are sold by Thrive under the “Being” brand.

Tilray/Aphria
The Company has a long relationship with Aphria and have been collaboratively working with their product development team on creating a range of flavoured products powered by QuickStrip™. Production of Aphria strips began in August 2021 on receipt of an initial Purchase Order for delivery of 1,118,000 strips. Subsequent to the delivery of the Purchase Order, Aphria merged with Tilray operating under Tilray. All agreements with Aphria continued under the merged entity. Tilray has not purchased product during the February 2024 fiscal year.

Rose Life
Commencing in January 2022, the Company produces CBD and THC QuickStrip™ products for Rose Life which have been introduced by Rose Life in Quebec into the recreational cannabis market under the “Pure Laine Cannabis” brand. The Company received an initial shipping order in Marhc 2023.

Distributor agreements
The Company entered into several supply and sales agreements during the Fiscal Year 2024 These agreements provide opportunities to sell the Company’s existing nutraceutical products in Canada and cannabis products throughout the Canadian provinces.

Distributor	**Date of renewal agreement**	**Term**	**Territory**
ANCAR Canada Limited	October 4, 2023	3 years	Canada and United States

ANCAR has developed a convenience store retail channel for nutraceutical products.

UK Oakland Sales Development
Oakland Health, our local UK partners, operating as RD Therapeutics, have selected a minimum of 4 products to launch into the UK market. These products underwent formulation modifications and packaging changes to address consumer requirements in the UK market. These changes delayed the initial launch timeline and revenue projections due to global supply chain issues. Market-test products were produced, shipped, and rolled out in the UK to gauge receptivity by consumers and retailers. Oakland has set an online strategy to reach consumers and demonstrate the benefits of carrying the products for consumers on their shelves. The sales opportunity is currently in the process of negotiation with the intention of initiating distribution into the UK market in calendar year 2024.

COVID mRNA Vaccine QuickStrip
The company continues the ongoing research with the oral delivery of the COVID vaccine without the need for cold-chain logistics, we have established a relationship with pharmaceutical companies with a global scope who have developed a vaccine and want to investigate the QuickStrip delivery format. Revenue for the R&D by RDT will be generated as a fee for service with strategic pharmaceutical partners and through application of government funding grants similar to the IRAP grant received in FY2021 and FY2022.

The additional expenditures for the submission of IP to the USPO or other jurisdictions is budgeted as an annual expenditure of $300,000. In addition, the Company has contracted for services of $225,000 annually for project management and the development of pharmaceutical relationships. The costs of testing are funded by and is the responsibility of strategic pharmaceutical partners who own the vaccines.

Key players in the UK associated with the WHO and the global pandemic preparedness group 100 Days Mission are aware of the RDT delivery platform and are supportive of its continued development.

Skycare Compounders – Pharmaceutical Drug Development
Subsequent to the signing of the collaboration agreement with Skycare Compounding on April 21, 2022, the Company and Skycare have completed the development of an initial set of products for the medical and dental professions, for use by practitioners with their patients. The pharmaceutical products are being produced in Skycare’s compounding facility operated by Skycare using RDT’s equipment and production processes under a revenue sharing agreement.

The major expenditures have been completed including years of Research & Development, facility & production setup, equipment installation, training, packaging development & design, Certificates of Analysis, Standard Operating procedures, product testing, website development, marketing trials and sales contract agreements in process for sales. Skycare is responsible for the manufacturing, sales, and distribution under the agreement.

QuickSips

The **QuickSips™** straws are composed of all-natural materials such as: recycled agricultural crop waste, starch, and plant gum. They are Biodegradable and Compostable. They have been infused with Cannabis ingredients and have been approved by Health Canada as a Cannabis regulated product for sale in Canada. Sales contracts are in process for the expansion into the Medical Cannabis market. The production facility is operational, inventory to produce, labeling, packaging design and approvals have been completed with packaging materials on site to produce the products. Orders are prepaid before production commences and the products are shipped. Patent applications have been previously filed. The additional cost of obtaining full patent protection is budgeted for $75,000 in the upcoming fiscal year.

Dental Market

In the dental segment, the Company announced the launch of two initial dental products, Xylitol, produced by the Company and Lidocaine strips, sold by Skycare under the Skycare Compounding agreement. The “Xylitol” solution addresses “dry mouth”, a serious health condition affecting greater than 25% of the North American population. Over $3.0B per annum is spent on dry mouth treatments in Canada. “Lidocaine” is an alternative pain therapy which manages pain and replaces other pain therapy solutions during dental procedures. Product commenced in the second quarter of this fiscal year and initial sales through Henry Shein were recorded in September 2023.

These products have been showcased at the British Columbia, Ontario Dental Association and Quebec Dental Association conventions where dental professionals were able to experience their product benefits firsthand. Xylitol and Lidocaine strips are now available to dental offices and pharmacies nationwide through RDT’s trusted distributors, Henry Schein and Skycare.

Nicotine

In the nicotine segment, the Company has entered into a research and development (“R&D”) project in collaboration with one of the world’s largest tobacco manufacturers. The objective is to develop a new nicotine product, complete with flavoring and packaging. The Company anticipates submitting an FDA approval application for the US market by the spring of 2024. Furthermore, the Company’s tobacco collaborator has engaged a third-party marketing firm to create a comprehensive global forecast. Additionally, a human nicotine trial involving 24 patients is being conducted to evaluate its impact on heart health in comparison to other nicotine products. RDT’s focus will be manufacturing and “R&D”. The nicotine market is significant as currently there are over 20.0 billion cigarettes being consumed daily on a global basis, and the Company’s channel partner is one of the industry’s largest players.

Pharmaceutical

In the pharmaceutical segment, the Company is in the process of launching Tadalafil and Sildenafil (generic versions of Cialis and Viagra), both proven erectile dysfunction active ingredients. These products are produced at Skycare and are sold to doctors, pharmacies, and hospitals through Skycare. The opportunity in addressing erectile disfunction is a significant market opportunity. It affects approximately 40% of men by age 40 and nearly 70% by age 70. In 2021, the global market was estimated to be approximately US$2.296 billion growing at over 8% per annum. RDT is committed to making a substantial impact in this field.

Vaccines

In the vaccine segment, the Company has initiated a research project with a large pharmaceutical company to integrate their vaccines into RDT’s strips. Additionally, the Company is collaborating with a US-based vaccine provider to load their Plasma DNA vaccines onto RDT’s strips. Furthermore, the Company is partnering with a US-based university to research the ability to infuse a proprietary vaccine to into the QuickStrip. This particular vaccine is a unique offering which addresses the growing opioid addiction crisis in North America by curtailing the drug craving.

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US-based university to research the ability to infuse a Fentanyl vaccine into the QuickStrip. This particular vaccine is a unique offering which addresses the growing opioid addiction crisis in North America by curtailing the drug craving. The advantages of sublingual strip technology in the vaccine market are potentially extensive and include:

- Eliminating the need for needles.
- Eliminating the need for cold chain or reconstitution.
- Eliminating the need for qualified health care professional administration.
- Precise and reproducible dosing.
- Cost savings at government and local levels.

Nutraceuticals

The Company's nutraceutical products are currently available in over 378 "Circle K" locations, and grocery retailers with more than 500 locations, including multiple independent stores and "Relay" stores at airports as well as through online e-commerce channels. This distribution network ensures that consumers have convenient access to the Company's nutraceutical products across various retail channels. RDT has more than 40 nutraceutical formularies available on its sublingual strips with current sales of Melatonin, B12 and Caffeine in the retail stores.

Collaborative Research

In December 2023, the Company extended its pre-commercialization agreement for a further six months to June 2024, with the intention of entering into negotiations for the development of a commercial agreement for the manufacture, licensing and sale of nutraceutical and nicotine products with a company with relationships in the tobacco industry. The pre-commercialization agreement has focused on the development of nicotine based formularies. The Company has outsourced a portion of the product development to its key nutraceutical supply relationship under a separate services agreement.

In August 2021, the Company, McMaster University, and the National Research Council (NRC) entered into a three-way material transfer agreement which provided the research team at McMaster University in early June 2021 with the Covid-19 spike protein in sufficient quantities to enable animal testing of the QuickStrip™ infused with the spike protein for the purpose of determining the capabilities of developing antibodies from this vaccine delivery method. The COVID pandemic has provided a unique opportunity for the Company to exploit their flagship QuickStrip™ technology as an efficient and effective vaccine delivery method for a variety of viruses including COVID, SARS, Ebola, Yellow Fever, and Malaria. The use of the QuickStrip™ simplifies the logistics challenges of delivering vaccines to the world's most remote communities by eliminating the cost and access to freezer storage and eliminating the requirement to allocate health care professionals for administering needles. The Company is confident that suitable partners in the pharmaceutical industry will be anxious to test infusing their own vaccine formulations into the QuickStrip™ format.

The Company is continuing to develop its commercialization opportunities during the testing phases to ensure that, with successful outcomes, the Company is prepared to execute a go to market plan that covers the shortest possible timelines within the constraints of the regulatory processes for applying and approving a vaccine delivery alternative.

On July 21, 2020, the Company announced the commencement of COVID-19 vaccine research in conjunction with McMaster University and the team lead by Drs. Alex Adronov, James Mahony and Mark Larché. The federally funded project tests the use of QuickStrip™ for administering vaccines orally as a convenient and safe alternative to injection with needles, the currently accepted delivery format for most vaccines.

On June 19, 2020, the Company filed a non-provisional patent with the USPTO for an "Apparatus for and method of converting CBD and/or CBD derivatives to at least one other type of cannabinoid and/or cannabinoid derivative such as THC". In conjunction with McMaster University and the team led by Dr. James McNulty, RDT has discovered a new and efficient way to create THC from CBD. The project's research has continued on subsequent to the non-provisional patent filing with continuing input from the Company's science research team. These patent applications have been registered in Canada, the United States and in Europe.

On February 4, 2020, the Company secured government funding of $400K from The National Research Council of Canada Industrial Research Assistance to support a project focused on commercial development and scale-up manufacturing of cannabis infused QuickStrip™ oral dissolvable film strips. The funding helped the Company to augment product commercialization by enhancing its manufacturing competency while creating new jobs and training skilled technical employees. The Company received $200k of its grant funding in the fiscal year ended February 28, 2021, and the final $200K in the fiscal year ended February 28,2022.

On January 23, 2020, the Company announced a new research partnership program entitled "Rapid Delivery of Therapeutics via Dissolution of Polymeric Films" with McMaster University, located in Hamilton, Ontario, Canada. The project focuses on developing novel biopolymer compositions that can offer enhanced drug delivery performance when formulated in oral dissolvable thin films. This research program has been awarded a NSERC Collaborative Research and Development grant by the Natural Sciences and Engineering Research Council of Canada. The project is being administered in conjunction with the vaccine project as a secondary funding source for the McMaster research team.

Capital stock - Summary of Outstanding share data as of November 30, 2023

Common shares	104,948,552
Warrants	13,376,382
Options	5,350,000
Fully Diluted	123,674,934

Financial transactions

(i) On November 14, 2023 the Company closed a third tranche of its secured convertible notes private placement in the amount of $500,000. Debt issuance fees amounting to $25,000 were incurred. The debt issuance fees are payable in common shares in accordance with the subscription agreements, at the end of the calendar quarter in which the obligation has occurred.

(ii) On September 30, 2023, 7,397 common shares were to Madison Partners Corporation for interest of $740 for owing for the period September 22 to September 30, 2023 and 125,000 common shares were issued for the debt issuance fees of $12,500 arising from the September 22, 2023 loan agreement.

(iii) On September 30, 2023 889,721 common shares were also issued for debt issuance fees of $88,972 for interest payable to the note holders of the tranches dated July 2023 and September 30 2023.

(iv) On September 30, 2023 352,167 common shares were issued for interest payable of $35,218 to the note holders of the tranches dated July 2023 and September 30 2023 and 7,397 common shares to Madison Partners Corporation for interest of $740 for owing for the period September 22 to September 30, 2023.

(v) On September 22, 2023, the Company approved the assignment of a debt obligation in the amount of $250,000 to Madison Partners Corporation which provided for the issue of shares for debt issuance fees amounting to $12,500. The debt issuance fees were paid on September 30, 2023 by the issue of 125,000 common shares in accordance with the assignment and loan agreements.

(vi) On September 22, 2023 the Company closed a tranche of its secured convertible notes private placement in the amount of $310,000. Debt issuance fees amounting to $15,500 were incurred. The debt issuance fees were paid on September 30, 2023 by the issue of 155,000 common shares in accordance with the subscription agreements.

(vii) On July 23 2023 the Company closed an initial tranche of its secured convertible notes private placement in the amount of $1,469,445. Debt issuance fees amounting to $73,472 were incurred. The debt issuance fees were paid on September 30, 2023 by the issue of 734,721 common shares in accordance with the subscription agreements. 21, 2023, the Company closed the first tranche of the $5,000,000 secured convertible notes private placement for proceeds of $1,4469,445. The terms of the secured notes provide for their conversion into common shares at a price of $0.17 per common share with repayment of the notes due November 30, 2025.

(viii) On July 21, 2023, the Company issued 7,347,225 warrants in connection with the closing of the first tranche of the $5,000,000 secured convertible notes private placement. The warrants may be exchanged for one common share of the Company at a price of $0.14 expiring November 30, 2025.

(ix) On August 26, 2022, the Company closed a private placement financing which raised $151,847 through the issuance of 506,157 common share units at a price of $0.30 per unit. Each unit consists of one common share and one common share purchase warrant. Each warrant is entitled to acquire one common share at a price of $0.4 per common share for twenty-four months from the date of issuance.

(x) On January 5, 2022, 200,000 share purchase options were issued at $0.51 per share vesting semi-annually over two years and expiring on January 5, 2027.

(xi) On December 15, 2021, 500,000 share purchase options were issued at $0.58 per share vesting semi-annually over two years and expiring on December 15, 2026.

(xii) During the quarter ended November 30, 2021, 520,437 warrants were exercised in exchange for one common share for each warrant at a price of $0.375 per common share. A further 153,000 warrants were exercised in exchange for one common share at a price of $0.21 per common share and 200,000 warrants were exercised in exchange for one common share at a price of $0.40 per common share. Total proceeds from the issuance of 873,437 common shares amounted to $307,294.

(xiii) During the quarter ended August 31, 2021, 1,966,000 warrants were exercised in exchange for one common share for each warrant at a price of $0.375 per common share. A further 55,000 warrants were exercised in exchange for one common share at a price of $0.21 per common share.

(xiv) During the quarter ended August 31, 2021, 1,966,000 warrants were exercised in exchange for one common share for each warrant at a price of $0.375 per common share. A further 55,000 warrants were exercised in exchange for one common share at a price of $0.21 per common share.

(xv) On March 29, 2021, the Company granted 4,490,000 stock options under the Company's stock option plan to certain directors, officers, employees, and consultants, with each option entitling the holder to purchase one common share for $0.24 until March 28, 2023. The options shall vest in four semi-annual increments of 25% commencing September 28, 2021.

(xvi) On March 19, 2021, 20,000,000 common share units were issued (each, a "Unit") pursuant to a business combination by way of a three-cornered amalgamation between the Company, 2814882 Ontario Inc., a wholly owned subsidiary of the Company, (Subco") and 2544737 Ontario Limited, o/a Consolidated Craft Brands, ("CCB") which closed on March 19, 2022. Each Unit is comprised of one common shares of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant") of the Company, each such Warrant entitling the holder thereof to acquire one Common Share at a price of $0.375 per Common Share at any time on or before March 19, 2023 (note 10). These options expired on March 28, 2023.

(xvii) On December 16, 2020, the Company completed a non-brokered private placement of 3,599,370 common shares at a price of $0.25 per common share unit for gross proceeds of $899,843. In connection with the private placement, the Company paid a finder's fee of $87,150 and issued 3,599,370 warrants with each warrant entitling the holder to purchase one common share for $0.40 per common share until December 16, 2022. These options expired on December 16, 2022.

(xviii) On October 9, 2019, and October 30, 2019, the Company completed tranches of a non-brokered private placement of 1,276,108 common shares at a price of $0.70 per common share for gross proceeds of $893,276. Of the common shares issued, 227,857 common shares were issued to two directors and officers of the Company. In connection with the private placement, the Company paid a finder's fee of $35,369 and issued 17,684 warrants with each warrant entitling the holder to purchase one common share for $1.00 per common share until October 9, 2021. These options expired on October 9, 2021.

Capital Stock - Other business

The shareholders of the Company approved the Corporation's share consolidation on the basis of one (1) new post consolidation common share for up to every ten (10) pre-consolidation common shares. No changes to the capital structure have been proposed up to the date of this Analysis.

WARRANTS

A summary of the continuity of warrant activity is as follows:

(i) On December 22, 2023 4,275,000 warrants were issued as part of the closing of the fourth tranche of the secured convertible notes private placement

(ii) On November 14, 2023 2,500,000 warrants were issued as part of the closing of the third tranche of the secured convertible notes private placement

(iii) On September 22, 2023 1,250,000 warrants were issued to Madison Partners Corporation, a company owned by a director of the Company in accordance with the assignment of the $250,000 debt obligation to Madison pursuant to a loan agreement with the Company with a maturity of September 22, 2024.

(iv) On September 22, 2023 1,550,000 warrants were issued as part of the closing of the second tranche of the secured convertible notes private placement

(v) On July 21, 2023, the Company issued 7,347,225 warrants in connection with the closing of the first tranche of the $5,000,000 secured convertible notes private placement. The warrants may be exchanged for one common share of the Company at a price of $0.14 expiring November 30, 2025.

(vi) On March 19, 2023, 15,884,681 warrants issued and exercisable at $0.375 per common share in connection with the acquisition of CCB expired.

	Weighted average exercise price	Number of warrants	Warrant reserve
Balance, February 29, 2021		3,599,370	306,316
Issued	0.375	18,751,118	2,180,309
Exercised	0.35	(3,466,437)	(127,318)
Balance, February 28, 2022	0.37	19,684,051	2,246,111
Issued	0.40	506,157	51,907
Issued	0.40	23,000	29,048
Expired	0.40	(3,399,370)	-
Balance, February 28, 2023		16,813,838	2,299,675
Expired March 19, 2023	0.375	(15,884,681)	-
Expired March 29, 2023	0.24	(200,000)	-
Issued, July 24, 2023	0.14	7,347,225	107,786
Issued September 22, 2023	0.14	2,800,000	51,392
Issued November 14, 2023	0.14	2,500,000	37,050
Balance November 30, 2023		13,376,382	2,495,903

Stock options

During the nine-month period ended November 30, 2023 and for the prior year ended February 28, 2023, there were no options issued. A summary of the Company's stock option transactions is presented below:

	Weighted Ave ("$")	Number of Options	Contributed surplus
Balance, February 28, 2022	**0.54**	**10,281,000**	**4,146,322**
Options cancelled	0.24 to 0.82	(1,176,250)	-
Stock based compensation	0.24	-	706,931
Balance, February 28, 2023	**0.56**	**9,104,750**	**4,853,253**
Options cancelled	0.24	(3,754,750)	-
Balance, November 30, 2023	**0.74**	**5,350,000**	**4,853,253**

A summary of the Company's outstanding stock options as at August31, 2023 is presented below:

Exercise price	Number of stock options outstanding	Expiry date	Number of stock options exercisable
0.82	3,150,000	11-Mar-24	3,150,000
0.58	500,000	14-Dec-26	400,000
0.51	200,000	04-Jan-27	145,500
0.65	1,500,000	28-Jul-26	1,500,000
Total	**5,350,000**		**5,195,500**

(i) On January 4, 2022, pursuant to its Stock Option Plan, the Company granted incentive stock options to acquire 200,000 common shares at an exercise price of $0.51 per share. Each has a term of 5 years and vest equally every six months over the first two years of the term.

(ii) On December 15, 2021, pursuant to its Stock Option Plan, the Company granted incentive stock options to acquire 500,000 common shares at an exercise price of $0.58 per share. Each has a term of 5 years and vest equally every six months over the first two years of the term.

(iii) On July 29, 2021, pursuant to its Stock Option Plan, the Company granted incentive stock options to acquire 2,100,000 common shares at an exercise price of $0.65 per share. Each has a term of 5 years and vest equally every six months over the first two years of the term except for options granted to Investor Relations Consultants whereby the options vest one-half after one year with the other one-half vesting every six months of year two of the term.

(iv) On March 29, 2021, pursuant to its Stock Option Plan, the Company granted incentive stock options to acquire 4,490,000 common shares at an exercise price of $0.24 per share. Each has a term of two years and vests equally every six months over the term. During the year 266,250 options were cancelled and 183,750 options were exercised at the option price of $0.24 per share. These options expired on March 29, 2021

Loans payable

Form of indebtedness	Interest rate and terms	Nov 30 2023 $	Feb 28 2023 $
Promissory note (i)	12%, payable at maturity secured by a GSA, maturing July 31, 2023	500,000	500,000
Promissory note (ii)	12%, payable monthly secured by a GSA, maturing July 31, 2023	-	250,000
Loan agreements	12%, unsecured, due on demand	80,000	310,000
Balance		580,000	1,060,000

(i) On December 22, 2023 the Company closed has closed on a fourth tranche of its previously announced private placement financing (the "Financing") amounting to $835,000, bringing the total amount invested to $3,134,445. Proceeds from the convertible notes financing were used to retire the $500,000 secured promissory note obligation which matured on November 30, 2023.

(ii) On July 5, 2022, the Company borrowed $250,000 from the original provider of the credit facility in exchange for a Promissory Note due on the earlier of the date of a written demand for payment or July 5, 2023, secured by a GSA with interest payable monthly at twelve percent (12%) per annum. On September 22, 2023, the Promissory note for $250,000 was acquired by Madison Partners Madison Partners Corporation. To facilitate the assignment of the loan to Madison Partners Corporation the Company agreed to
(a) extension of the prepayment date for the $250,000 loan to September 30, 2024;
(b) issue 1,250,000 warrants with an exercise price of $0.14, for a one year term and
(c) pay a loan fee of $12,500 to Madison Partners Corporation which is payable in Common Shares at the end of the first calendar quarter following closing, with each such Common Share being issued at the closing market price of a Common Share on October 13, 2023.

Interest on the Madison Debt is 12.0% per annum calculated monthly, compounded, accrued, added to the principal amount and payable quarterly in arrears on a calendar quarter basis until the Madison Debt is fully repaid. Interest is payable in Common Shares at the price per share equivalent to the closing market price of a Common Share on the last trading day immediately preceding the end of the relevant interest payment date.

Accordingly, the Company issued 132,397 Common Shares to Madison Partners Corporation at a deemed issue price of $0.10 per Common Share, being the closing market price of the Common Shares on the date of issuance in satisfaction of the aggregate of $13,239 loan fee and accrued interest owing on the Madison Debt.

On July 21, 2023, $276,000 of the loan agreements were rolled into the first tranche of the secured convertible notes as set out under Secured Convertible Notes on Page 14.

Unsecured convertible notes

Balance February 28, 2023	$186,957
Accretion expense	13,789
Rollover of unsecured convertible note to convertible secured note	(130,000)
Balance as at November 30, 2023	$70,436

On August 8, 2022, the Company issued units of unsecured convertible notes (the "Notes") in exchange of gross proceeds of $230,000, Each Unit is comprised of $1,000 principal amount and 100 common share purchase warrants ("Warrants"). Holders of the Notes may convert the principal amount into shares of the Company at a price of $0.40 per share, up to the maturity date of August 8, 2024 (the "Maturity Date"). The Notes bear an interest rate of 10% payable quarterly, in cash and 2% payable annually in or shares at the conversion rate, at the Company's discretion.

The Conversion features embedded warrants requiring a fixed number of shares to settle, therefore, they meet the criteria of fixed to fixed under IFRS, and hence classified as equity. Accordingly, the fair value of these were deducted from the gross proceeds and were accreted over the terms of the Note.

On July 22, 2023 a note for the principal amount of $100,000 was cancelled and re-issued as a secured convertible note. On September 30, 2023. a note for the principal amount of 30,000 was cancelled and re-issued as a secured convertible note.

Secured convertible notes

Proceeds from issue of secured convertible notes, July 21, 2023	$1,469,445
Proceeds from issue of secured convertible notes, July 21, 2023	310,000
Proceeds from issue of secured convertible notes, July 21, 2023	500,000
Total gross proceeds	2,279,445
Value of equity in convertibility of notes	(201,041)
Share issued costs applied to obligation for amortization over the term of the notes	(128,179)
Accretion expense	41,857
Balance as at November 30, 2023	$1,990,092

On July 21, 2023, the Company issued units of secured convertible notes (the "Notes") for gross proceeds of $1,469,445 which consisted of cash proceeds of $300,000 and cancellation of existing unsecured notes and re-issuance as secured convertible notes. Each Unit is comprised of $1.00 principal amount and five (5) common share purchase warrants (“Warrants”). Holders of the Notes may convert the principal amount into shares of the Company at a price of $0.17 per share, up to the maturity date of November 30, 2025 (the "Maturity Date"). The Notes bear an interest rate of 12% payable quarterly, payable in common shares of the Company.

On July 21, 2023 7,347,225 warrants were issued with a maturity date of November 30, 2025. Each warrant may be converted into one common share at an exercise price of $0.14 per share. As part of the Financing, the Company settled $1,169,445 of unsecured debt through the issuance of the Notes and Warrants to various lenders to the Company, including two current directors, in satisfaction of such loan amounts.

In connection with the issuance of the Notes, debt issuance fees of $73,472 were incurred. The debt issuance fees are payable in common shares in accordance with the subscription agreements. The debt issuance fees are directly attributable transaction costs and have been allocated to the liability, warrants and conversion feature components, in proportion to their initial carrying amounts.

Certain insiders of the Company participated in the Financing for an aggregate total of $816,371. Issuance of the Notes and Warrants to Mark Upsdell, Chief Executive Officer and a director of the Company, in the amount of $500,000 of Notes and 2,500,000 Warrants, and indirectly to John McKimm (via his holding company, Madison Partners Corporation), a director of the Company, in the amount of $316,371 of Notes and 1,581,855 Warrants, is a related party transaction within the meaning of Multilateral Instrument 61-101 (“MI 61-101”). The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in Section 5.5(b) (Company is listed on the Canadian Securities Exchange) and Section 5.7(1)(a) (fair market value of the Financing insofar as it involves related parties does not exceed 25% of the Company’s market capitalization) in respect of such transaction. A resolution of the board of directors of the Company was passed to approve the Financing. There was no materially contrary view or abstention by any director.

On September 22, 2023 the Company issued a second tranche of units of the secured convertible notes (the "Notes") for gross proceeds of $310,000 which consisted of cash proceeds of $280,000 and cancellation of an existing unsecured notes and re-issuance as a secured convertible note. In connection with the issuance of the note, 1,550,000 warrants were issued with a maturity date of November 30, 2025. Each warrant may be converted into one common share at an exercise price of $0.14 per share. In connection with the issuance of the Note, debt issuance fees of $15,500 were incurred. The debt issuance fees are payable in common shares in accordance with the subscription agreements. The debt issuance fees are directly attributable transaction costs and have been allocated to the liability, warrants and conversion feature components, in proportion to their initial carrying amounts.

On November 14, 2023 the Company issued a third tranche of units of the secured convertible notes (the "Notes") for gross cash proceeds of $500,000. In connection with the issuance of the note, 1,550,000 warrants were issued with a maturity date of November 30, 2025. Each warrant may be converted into one common share at an exercise price of $0.14 per share. In connection with the issuance of the Note, debt issuance fees of $25,000 were incurred. The debt issuance fees are payable in common shares in accordance with the subscription agreements. The debt issuance fees are directly attributable transaction costs and have been allocated to the liability, warrants and conversion feature components, in proportion to their initial carrying amounts.

The Conversion features and embedded warrants require a fixed number of shares to settle, therefore, they meet the criteria of fixed to fixed under IFRS, and hence classified as equity. Accordingly, the fair value of these were deducted from the gross proceeds and were accreted over the terms of the Note.

The Company may prepay the Notes in certain circumstances. During the period from June 30, 2024 to December 31, 2024, the Company shall be entitled to prepay all or any portion of each of the Notes with a prepayment fee payable to each noteholder of 3% of the amount of the principal prepayment of the Note. There shall be no prepayment fee if the Notes are repaid after December 31, 2024.

The Notes are secured pursuant to a general security agreement issued by the Company in favour of the various noteholders. The Company intends to use the proceeds from the Financing for working capital purposes and to repay debt. The first $1,000,000 of proceeds raised pursuant to the Financing shall be used for general working capital purposes, with proceeds raised thereafter being used to first repay approximately $750,000 principal of secured debt as well as any accrued and unpaid interest thereon.

On December 22, 2023 the Company closed has closed on a fourth tranche of its previously announced private placement financing (the “Financing”) amounting to $835,000, bringing the total amount invested to $3,134,445. Proceeds from the convertible notes financing were used to retire the $500,000 secured promissory note obligation which matured on November 30, 2023.

Material assumptions and risk factors for forward-looking statements

The following table outlines certain forward-looking statements contained in this MD&A and provides material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statement	Assumption	Risk factor
Liquidity and Capital Resources “Management is of the opinion that sufficient working capital will be obtained from advances from related parties and equity financings to meet the Company’s liabilities and commitments as they become due.”	Advances from related parties and equity financings will be obtained and such advances and financings will be in sufficient amounts to meet the Company’s liabilities and commitments as they come due.	The Company is unable to obtain future financing to meet its liabilities and commitments as they become due.

Risks and Uncertainties

There are numerous and varied risks, known and unknown, that may prevent the Company from achieving its goals. If any of these risks occur, the Company’s business, financial condition or results of operation may be adversely affected.

Limited operating history

Because the Company has a limited operating history and is in an emerging area of business, investors should consider and evaluate its operating prospects in light of the risks and uncertainties frequently encountered by early-stage companies in rapidly evolving markets. These risks may include:

- risks that it may not have sufficient capital to achieve its growth strategy;
- risks that it may not develop its product and service offerings in a manner that enables it to be profitable and meet its customers’ requirements;
- risks that its growth strategy may not be successful;
- risks that fluctuations in its operating results will be significant relative to its revenues;
- risks relating to different regulatory regimes in different jurisdictions; and
- risks relating to evolving and uncertain regulatory regimes.

The Company's future growth will depend substantially on its ability to address these, and other risks described in this section and in its other continuous disclosure materials available on SEDAR and on the Company's website. If it does not successfully address these risks, its business may be significantly adversely affected.

Managing growth
In order to manage growth and change in strategy effectively, the Company must: (a) maintain adequate systems to meet customer demand; (b) expand sales and marketing, distribution capabilities and administrative functions; (c) expand the skills and capabilities of its current management team; and (d) attract and retain qualified employees. The inability of the Company to deal with this growth may have a material adverse effect on its business, financial condition, results of operations and prospects.

Competition
Due to the nature of the Company's proprietary delivery system and the multiple barriers of entry, the Company has very few competitors in the nutraceutical and pharmaceutical industries in which the Company operates, the Company anticipates very little initial competition from large, well trenched industry competitors. As well, because of the early stage of the cannabis industry in which the Company will operate, the Company expects to have very limited competition from new entrants. To become and remain competitive, the Company will continue its research and development, marketing, sales, and support. The Company does not currently have sufficient resources to finance all of the research and development, marketing and sales support efforts which may be required to gain significant market penetration in each of its vertical markets. The inability to remain competitive as the product lines mature could materially affect the business, financial condition, and results of operations of the Company.

Retention, acquisition, and integration of skilled personnel
The loss of any member of the Company's management team could have a material adverse effect on its business and results of operations. In addition, the inability to hire new personnel and the increased costs of hiring new personnel could have a material adverse effect on the Company's business and operating results.
At present and for the near future, the Company will depend upon a relatively small number of key employees to develop, market, sell and support its products.
The expansion of marketing and sales of its products will require the Company to find, hire and retain additional capable employees who can understand, explain, market, and sell its products. There is intense competition for capable personnel and the Company may not be successful in attracting, training, integrating, motivating, or retaining new personnel, vendors, or subcontractors for these required functions. New employees often require significant training and, in many cases, take significant time before they achieve full productivity. As a result, the Company may incur significant costs to attract and retain employees, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards, and may lose new employees to its competitors or other companies before it realizes the benefit of its investment in recruiting and training them. In addition, as the Company moves into new jurisdictions, it will need to attract and recruit skilled employees in those areas.

Legal proceedings
From time to time, the Company may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. The Company will evaluate its exposure to these legal and regulatory proceedings and, where appropriate, establish reserves for the estimated liabilities in accordance with International Financial Reporting Standards. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on the Company's financial results.

Regulatory compliance risks
Achievement of the Company's business objectives is contingent, in part, upon compliance with regulatory requirements enacted by governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Company may not be able to obtain or maintain the necessary licenses, permits, authorizations or accreditations, or may only be able to do so at great cost to operate its business. 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 local governmental authorities. The impact of the compliance regime, any delays in obtaining, or failure to obtain or keep the regulatory approvals may significantly delay or impact the development of markets, products and sales initiatives and could have a material adverse effect on the business, results of operations and financial condition of the Company.

The Company will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

The Company may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

Reliance on securing and maintaining agreements with licensed partners.

The Company must secure service agreements with licensees that have obtained the requisite licenses with the appropriate regulatory authorities in the targeted jurisdictions to grow, store and sell cannabis products ("Licensees"). The failure of a Licensee to comply with the requirements of their license or to maintain their license would have a material adverse impact on the business, financial condition, and operating results of the Company. There can be no guarantee that the applicable licenses will be maintained by Licensees or granted to other prospective Licensees in the future.

Product liability

As a distributor of products designed to be consumed by humans, the Company faces an inherent risk of exposure to product liability claims, regulatory action, and litigation if its products are alleged to have caused damage, loss or injury. In addition, the sale of the Company's products involves the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Adverse reactions resulting from human consumption of the Company's products alone or in combination with other medications or substances could occur. The Company be subject to various product liability claims, including, among others, that the Company's products caused may injury or illness, include inadequate instructions for use or include inadequate warnings concerning health risks, possible side effects or interactions with other substances.

A product liability claim or regulatory action against the Company could: i) result in increased costs; ii) adversely affect the Company's reputation with its Licensed Partners and consumers generally; and iii) have a material adverse effect on the results of operations and financial condition of the Company. There can be no assurance 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.

Intellectual property

The Company has certain proprietary intellectual property, including but not limited to brands, trademarks, trade names, patent applications and proprietary processes. The Company relies on this intellectual property, know-how and other proprietary information, and generally requires employees, consultants and suppliers to sign confidentiality agreements. The company requires all customers, partners and organizations that receive any materials from the Company to sign a Material Transfer Agreement acknowledging the Intellectual property confidentiality, Company ownership and authorized usage However, any confidentiality agreement may be breached, and the Company may not have adequate remedies for such breaches. Third parties may independently develop substantially equivalent proprietary information without infringing upon any of the Company's proprietary technology. Third parties may otherwise gain access to the Company's proprietary information and adopt it in a competitive manner. Any loss of intellectual property protection may have a material adverse effect on the Company's business, results of operations or prospects.

Unfavourable publicity or consumer perception

The success of the Company's products may be significantly influenced by the public's perception of marijuana's medicinal applications. Medical marijuana is a controversial topic, and there is no guarantee that future scientific research, publicity, regulations, medical opinion, and public opinion relating to medical marijuana will be favourable. The medical marijuana industry is an early-stage business that is constantly evolving with no guarantee of viability. The market for medical marijuana is uncertain, and any adverse or negative publicity, scientific research, limiting regulations, medical opinion and public opinion relating to the consumption of medical marijuana may have a material adverse effect on our operational results, consumer base and financial results.

Consumer acceptance
There can be no assurance that the Company will develop any product that will be met with widespread consumer acceptance. Both new and established products fail to generate consumer interest on a regular basis. There is no assurance that the Company's products will be successfully adopted by consumers at one time or will still be in demand in the future. If the Company cannot develop and sell products in commercial quantities, the Company's current strategy will fail.

Insurance coverage
The Company's insurance coverage includes policies covering general liability, product liability, errors and omissions, marine cargo, and property/machinery insurance.
The Company's production is, in general, subject to different risks and hazards, including adverse weather conditions, fires, other natural phenomena, industrial accidents, labour disputes, changes in the legal and regulatory framework applicable to the Company and environmental contingencies. Although management of the Company believes that the events and amounts of liability covered by its insurance policies will be reasonable, considering the risks relevant to its business, and the fact that agreements with users contain limitations of liability, there can be no assurance that such coverage will be available or sufficient to cover claims to which the Company may become subject. If insurance coverage is unavailable or insufficient to cover any such claims, the Company's financial resources, results of operations and prospects could be adversely affected.
Due to the number and size of claims against companies involved in the cannabis industry, a number of insurers providing directors and officers liability insurance ("D&O") have decided not to insure businesses operating in the Company's sector. On December 23, 2019, the Company's insurer gave notice that they would not renew the Company's D&O policy due to the fact the insurer is exiting the sector generally and the Company's policy expired on February 21, 2020. The Company is working with its insurance broker to secure a new insurer; however, there is no assurance that the Company will be able to secure D&O coverage at a reasonable price.

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, contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labelling disclosure. If any of the Company's 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, remedial action 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 has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if the Company is subject to recall, the image of 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 t lead to increased scrutiny of the Company's operations by regulatory agencies, requiring further management attention, potential loss of applicable licenses and potential legal fees and other expenses.

Limited avenues to market and promote products
To be successful, the Company's business must be successfully marketed. The market for the Company's products and services has and is expected to grow significantly and require substantial sales and marketing capability. The Company will be dependent on independent may parties to market its products and services. There can be no assurance that the Company can continue to market or can enter into satisfactory arrangements with third parties to continue to market its products and services in a manner that would assure its growth and acceptance in the marketplace.

Global economy
Financial markets are influenced by the economic and market conditions in other countries, including the United States and other global markets. Although economic conditions in these countries may differ significantly from economic conditions in Canada, investor reactions to developments in these other countries may substantially affect the capital flows into and the market value of securities of issuers with operations in the United States and Canada.

Access to capital
In executing its business plan, the Company makes, and will continue to make, substantial investments and other expenditures related to acquisitions, research and development and marketing initiatives. Since its formation, the Company has financed these expenditures through equity offerings. The Company will have further capital requirements and other expenditures as it proceeds to expand its business and/or take advantage of opportunities for acquisitions or other business opportunities that may be presented to it. The Company may incur major unanticipated liabilities or expenses. The Company can provide no assurance that it will be able to obtain financing to meet its growth needs.

Foreign sales and currency risks
The Company's functional currency is denominated in Canadian dollars. The Company currently expects future sales will be denominated in Canadian and U.S. dollars and may, in the future, have sales denominated in the currencies of additional countries. In addition, the Company incurs the majority of its operating expenses in Canadian dollars. In the future, the proportion of the Company's sales that are international are expected to increase. Such sales may be subject to unexpected regulatory requirements and other barriers. Any fluctuation in the exchange rates of foreign currencies may negatively impact the Company's business, financial condition, and results of operations. The Company has not previously engaged in foreign currency hedging. If the Company decides to hedge its foreign currency exposure, it may not be able to hedge effectively due to lack of experience, unreasonable costs, or illiquid markets. In addition, those activities may be limited in the protection they provide the Company from foreign currency fluctuations and can themselves result in losses.

Tax risks
The Company will operate and will be subject to income tax and other forms of taxation (which are not based upon income) in multiple tax jurisdictions. Taxation laws and rates which determine taxation expenses may vary significantly in different jurisdictions, and legislation governing taxation laws and rates is also subject to change. Therefore, the Company's earnings be impacted by changes in the proportion of earnings taxed in different jurisdictions, changes in taxation rates, changes in estimates of liabilities and changes in the amount of other forms of taxation. The Company may have exposure to greater than anticipated tax liabilities or expenses.
The Company will be subject to income taxes and non-income taxes in a variety of jurisdictions and its tax structure is subject to review by both domestic and foreign taxation authorities and the determination of the Company's provision for income taxes and other tax liabilities will require significant judgment.

Repatriation of profits
As a company holding the stock of operating subsidiaries in other jurisdictions, it is anticipated that a significant amount of the Company's funds will be generated by the Company's operating subsidiaries. The Company's subsidiaries are subject to the requirements of various regulatory bodies, both domestically and internationally. Accordingly, if the Company's operating subsidiaries are unable, due to regulatory restrictions or otherwise, to pay dividends and make other payments to the Company when needed, the Company may be unable to satisfy the Company's obligations when they arise.

Off Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Changes in Accounting Policies including Initial Adoption

The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards. Our significant accounting policies are set out in Note 3 of the Consolidated Financial Statements for the year ended February 28, 2023.

Selected Financial Information
For the three months ended November 30, 2023

The following tables show selected financial information for the three months ended and as of February 28, 2023, compared to the year ended and as of November 30, 2022. The selected financial information set out below may not be indicative of the Company's future performance. The information contained in each table should be read in conjunction with the Company's Consolidated Financial Statements and related notes.

Summary Information	**As at November 30, 2023**	**As of February 28, 2023**	**As of November 30, 2022**
(Expressed in thousands of Canadian dollars)	**$**	**$**	**$**
Current assets	607	420	628
Non-current assets	1387	1,827	2,107
Total assets	1994	2,247	2,735
Current liabilities	4539	4,701	3851
Non-current liabilities	1990	217	302
Revenue	233	718	306
Net comprehensive loss	(981)	(3,809	(583)
Shareholders' equity (deficiency)	(4,536)	(2,670)	(1,427)

Discussion of Operations for the three months ended November 30, 2023

During the three months ended November 30, 2023, the Company reported a net comprehensive loss of $981 or $0.01 per share compared to a net comprehensive loss of $583 for the three months ended November 30, 2022. The increase in expenses and in the loss in the quarter was primarily attributable to third party advisory costs under consulting services agreements for product sales and development (dental and nutraceutical), investor relations and marketing.

Revenue and gross profit

The following table sets out the revenue and costs for each revenue source:

	Nine months ended November 30 2023			Nine months ended Nov 30 2022		
	Revenue $	Cost of Revenue $	Gross Profit $	Revenue $	Cost of Revenue $	Gross Profit $
Health and Wellness	31,119	45,425	(14,306)	136,584	53,024	83,560
White Label	399,772	126,547	273,224	336,610	94,141	242,469
Product Testing	12,880	2,941	9,939	10,251	10,031	219
White Label	412,652	129,488	283,163	346,860	104,172	242,688
Licensing & consulting	384,001	194,245	189,756	17,505	-	17,505
Services revenue	384,001	194,245	189,756	17,505	-	17,505
Total	827,772	369,158	458,613	500,949	157,196	343,753

	Three months ended November 30 2023			Three months ended Nov 30 2022		
	Revenue $	Cost of Revenue $	Gross Profit $	Revenue $	Cost of Revenue $	Gross Profit $
Health and wellness	2,744	33,027	30,284	64,806	18,425	46,380
White Label	106,530	10,337	96,193	223,500	59715	163,785
Product Testing	1,840	-	1,840	5,650.50	-	5,650
White Label	108,370	10,337	98,032	229,151	59,715	169,435
Licensing & consulting	122,700	61,050	61,650	11,671.66	-	11,671
Services revenue	122,700	61050	61650	11,672	-	11,671
Total	233,814	104,414	129,399	305,629	78,141	227,487

Customer Concentration:

Two customers comprised 95% (2022 - 99%) of white label revenue and 45% (2022 - 80%) of total revenue during the three-month period ended November 30, 2023.

One customer comprised 100% of licensing and consulting revenue during the three-month period year ended November 30, 2023 (three-month period year ended November 30, 2022 – Nil)

Geographic Information: All of the Company’s operations and assets are in Canada.

The Company has one operating segment comprising production, distribution, research, and the provision of technical services for the delivery of oral thin film strips containing active ingredients.

Entity-wide disclosure:

The Company has four primary sources of revenue:

1) Sales of health and wellness products consisting of nutraceuticals;
2) Sale of white label manufacturing consists of sales of oral thin film strips containing active ingredients under cannabis licensing;
3) Revenue derived from licensing under service agreements (MSSA);
4) Service contracts consists of consulting services provided for the application of active ingredients with the Company's oral thin film polymer formulation and processes.

Financial results

The following Table provides a more detailed break-down of the Company's financial results for the three months ended November 30, 2023, compared to the prior year's three months ended November 30, 2022:

	Three months ended November 30, 2023	**Three months ended November 30, 2022**
(expressed in thousands of Canadian dollars - unaudited)	**$**	**$**
Revenue	233	305
Cost of sales	104	87
Gross Profit	**129**	**227**
Operating Expenses		
Personnel	426	334
Stock-based compensation	-	141
General and administrative	61	46
Professional fees	83	65
Sales and marketing	183	27
Research and development	100	33
Depreciation	152	112
Interest	102	52
Total operating expenses	**1,110**	**811**
Net loss before other comprehensive loss	**(981)**	**(583)**

The comparative losses reflect the following:

1. G&A costs were offset by rent recovery of $12 (FY2022- $96) through a temporary sub-let of warehouse space.
2. Sales and Marketing include debt issue costs of $53
3. *Depreciation* of $152 (2022- $112) consists of depreciation of property and equipment of $80 (FY2022 – $40) and of right of use asset of $72 (FY2022 - $72).
4. Interest costs reflect the increase in company borrowing supporting working capital obligations during the current fiscal year.

Summary of Quarterly Results

The following table provides a comparison of the results for each of the previous eight quarters:

(expressed in thousands of dollars)	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	28-Feb	31 May	31-August	30-Nov	28-Feb	31 May	31-August	30-Nov
	2022	2022	2022	2022	2023	2023	2023	2023
	$	$	$	$	$	$	$	$
Revenue:	148	62	133	305	218	241	353	233
Net Loss:	(6,978)	(1,008)	(914)	(583)	(2,181)	(566)	(730)	(981)
Per share loss	(0.01)	(0.01)	(0.04)	(0.01)	(0.01)	(0.005)	(0.01)	(0.01)
	(1)				(2)			

Notes

(1) As a result of impairment testing performed on February 28, 2022, the Company determined an impairment loss of $4,084, representing the difference of the amount determined through Value in Use and the carrying value of the assets.

(2) The loss for the quarter arises from provisions for expenses incurred in the completing the revocation of the Failure to File Cease Trade order obtained from the Ontario Securities Commission on August 1, 2023, provisions for current assets and higher interest costs on borrowed funds.

Liquidity and Capital Resources

As the Company is an early-stage company and has just started to generate revenue, the Company has financed its operations with equity and debt financing. The Company moved from start up to product manufacture and commercialization during the fourth quarter of the year ended February 28, 2021. As of November 30, 2023, the loss from operations and working capital deficiencies limits the Company's ability to fund its operations.

The Company may continue to have capital requirements in excess of its currently available resources. In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing. There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company.

The following table details the current assets and liabilities which comprise the work capital deficiency:

Working capital breakdown:	
Cash and cash equivalents	166,180
Amounts receivable	59,805
Government receivables	24,701
Other receivables	-
Inventory	134,309
Prepaid expenses	221,859
Total current assets	606,854
Less:	
Accounts payable and accrued liabilities	(3,511,517)
Due to a related party	(262,000)
Loans payable	(580,000)
Convertible notes	(70,746)
Deferred revenue	-
Current portion of lease liability	(115,425)
Total current liabilities	(4,539,688)
Working capital deficiency	**(3,932,834)**
Less: Non-cash deferred revenue	-
Actual Working capital deficiency	**(3,932,834)**

The Company has an average monthly cash burn rate of $225,000. For the prior year ended February 28, 2023, the Company had an average monthly cash burn rate of approximately $225,000. The Company conserved cash through managing payment terms for accounts payable during the period and paying for interest on the secured convertible notes and related party loan through the issue of common shares.

The Company is addressing its liquidity requirements as a vital component of its product development strategies. The Company requires access to sufficient financial resources to finance its vaccine program, its development of market awareness for its nutraceutical product lines and for managing its ongoing operations which are building a sustainable revenue stream through white label manufacturing.

The Company has utilized private placement financing for serving its liquidity requirements. During the quarter ended November 30, 2023 the Company raised cash of $780,000 through the closing of the second and third tranches of its secured convertible notes private placement. A portion of the proceeds was used to retire the promissory note obligation of $500,000 due on November 30, 2023

Subsequent to the three months ended November 30, 2023 the Company accessed working capital financing of $830,000 through the closing of a fourth tranche of the secured convertible notes private placement to cover its operating costs during the fourth quarter of the current fiscal year.

The pharmaceutical vertical relationship has been initiated with Skycare Compounding. Skycare's co-development of OTF strips containing active pharmaceutical ingredients has enabled the Company to accelerate pharma product development utilizing its existing equipment and technical expertise with resulting cost control and minimized cost outlays. Effective June 1, 2023 the dental and drug products are being sold into the Canadian dental marketplace through Henry Schein and to medical institutions and clinics and pharmacies through Skycare providing a source of revenue for the Company with cost control. This strategy of leveraging its technology with strategic partners enables the Company to accelerate access to markets it could not enter without significant financing. The analysis of the Canadian market for the products under development indicate the need and size of the market can generate sufficient sales volumes in the early stages of the selling cycle to enable the Company to access its market acceptance and potential for further penetration and scale up of pharma-based products.

The Company has received significant international interest in its vaccine development programs. In August 2022 the Company was asked to participate in a global program at the 6th UNECE International Public-Private Partnerships (PPP) Forum and was shortlisted as one of the top four finalists of the UNECE entries. The submission centered on equitable access to medicines, vaccines, and nutritional supplements, with a particular emphasis on childhood immunization, which is key to reducing infectious disease-related morbidity and mortality in developing countries.

UNECE recognized the development of the Company's proprietary, temperature, and humidity-stable, oral thin film technology, QuickStrip™ - which can be used for vaccines, pharmaceutical and nutraceutical products – and the Company's aim to widen access to health and wellness products across the world.

The health and wellness vertical were impacted during the last quarter of fiscal year 2023 and the first quarter of FY2024 by the delays in the successful obtaining its manufacturing import and site license for nutraceutical products. The licence granted on June 22, 2023, enables the Company to focus on further development of the penetration of the Canadian marketplace initially through its existing customer channels. The marketing costs for supporting the health and wellness product lines in Canada are budgeted at $300,000 commencing in the 4th quarter of the 2024 fiscal year. The expenditures are conditional on obtaining sufficient financing from external sources to support the marketing programs. The Company is currently exploring strategic relationships with Canadian enterprises which can mitigate the Company's outlay for marketing costs and provide expertise in the delivery of health and wellness products to the Canadian consumer market.

The Company is engaged in a product development agreement with an international company with access to international markets for the delivery of products currently undergoing formulation development and market acceptance testing. A strategic agreement to provide OTF strips utilizing the requested active ingredients would include access to the necessary working capital to finance roll out of the program.

The Company's primary operating costs are personnel and occupancy, both utilized in the White Label manufacturing vertical. The Company does not yet produce and sell sufficient quantities to attain a level of profitability required to support the licensing and costs structure for the cannabis product vertical. With the termination of the MSS agreements originally entered into in 2019, the Company focused on fiscal year 2023 with the development of the in-manufacturing alternatives in order to prove the capability of the OTF manufacturing process developed by the Company. The Company has obtained approval to begin selling of two of its Cannabis products through the Ontario Cannabis Stores (OCS) with first OCS deliveries in November 2023. Market acceptance of the products is required in order to retain the OCS distribution rights. The Company anticipates it will require six months in order to undertake an initial assessment of the market for these recreational products.

The success and sustainability of the OTF formulation and production processes evidenced by the quality of the products produced and sold, provide the Company with the capability of access liquidity for the business in three ways:

1) Further penetration of the market in Canada through direct selling;
2) Entering into MSS agreements for the licence to use the Company's technology and equipment for international markets;
3) Monetization of the Canadian cannabis vertical through a strategic partnership or outright sale of the division to a Canadian licensed producer.

Each of these alternatives form part of the decision making regarding the Company's liquidity and access to financial resources in the 2024 fiscal year.

The Company is currently reliant on secured convertible note financing to repay unsecured debt incurred during the prior twelve months. The Company may be unable to meet its obligations to repay all or some portion of the loans without further replacement financing. Debt of $350,000 outstanding as at August 31, 2023 was repaid in the quarter ended November 30, 2023 with proceeds from the secured convertible notes and Madison Partner loan. The $500,000 note was repaid in December 2023, with the interest owing was settled by a cash payment of $104,500 in September 2023 representing eighteen (18) months of accrued interest thereon.

The Company has unexercised warrants outstanding of 13,376,382 as of November 30, 2023. The warrants previously issued in relation to prior years' private placement financing and as part of the consideration for the acquisition of CCB are no longer a potential source of capital for the Company. On July 21, 2023 in conjunction with the issuance of convertible notes totaling $1,469,445, the Company issued 7,347,225 warrants convertible into common shares at a price of $0.14 per common share, expiring November 3, 2025. During the quarter warrants totaling 5,300,000 were issued in connection with the closing of tranches two and three of the secured convertible notes private placement and the receipt of the loan from Madison Partners. The warrants issued in the current fiscal year represent $1,770,000 of potential equity proceeds at the exercise price of $0.14 to November 30, 2025.

Other liquidity events have occurred since November 30, 2023 which have an impact on the availability and use of the Company's cash resources:

Issue of shares for settlement of debt

On January 16, 2024, the Company issued 4,369,457 common shares (the "Settlement Shares") to various creditors in exchange for the cancellation of outstanding accounts payable (the "Shares for Debt Transaction") in the aggregate amount of $669,113 (the "Debt") owing to such Creditors. The Settlement Shares are being issued at a price of $0.16, in accordance with the policies of the Canadian Securities Exchange (the "CSE").

The Company is completing the Shares for Debt Transaction to improve its financial position by reducing its existing liabilities. All Settlement Shares issued are subject to a four-month hold period from the date of issuance. No new control person of the Company will be created pursuant to the Shares for Debt Transaction.

One of the Creditors is Peter Thilo Hasler, an insider of the Company by virtue of being a director of the Company, who will receive 138,613 Settlement Shares.

Issue of shares for interest accrued on secured convertible notes

On December 31, 2023, the Company issued 798,942 Common Shares to the holders of the Notes at a deemed issue price of $0.165 per Common Share, being the closing market price of the Common Shares on the CSE on December 29, 2023, in satisfaction of the aggregate of $156,722 loan fee and accrued interest of $99,147 owing on the Notes for the calendar quarter ended December 31, 2023.

The Company also issued Common Shares to Madison Partners Corporation in connection with the $250,000 of secured debt with a maturity date of September 22, 2024 held by Madison Partners Corporation (the "Madison Debt"). Madison Partners Corporation is a holding company of John McKimm, a director of the Company.

In accordance with the terms of the Madison Debt, the Company issued 46,291 Common Shares to Madison Partners Corporation at a deemed issue price of $0.165 per Common Share, being the closing market price of the Common Shares on the CSE on December 29, 2023, in satisfaction of the aggregate of $7,638 accrued interest owing on the Madison Debt.

Transactions with related parties

Related parties include the members of the Board of Directors, key management personnel and any companies controlled by these individuals. Key management personnel include those persons having authority and responsibility for planning, directing and controlling activities of the Company, namely Directors, Chief Executive Officer, Chief Financial Officer and Senior Vice President, Business Development.

Related party debt

Due to a related party of $12,000 represents advances from an individual who is an officer and director of The Company. The advances are secured by Promissory Notes with interest and maturity dates as follows:

	November 30, 2023 $	February 28, 2023 $
Promissory note, non-interest bearing, repayable on demand	12,000	512,000
Loan payable, Madison Partners Corporation, secured due on September 22 2024	250,000	-
	262,000	512,000

Promissory note

On July 21, 2023 the director/officer exchanged $500,000 of notes for $500,000 of secured convertible debt as described in Note 11. Interest to July 21, 2023 amounting to $62,368 has been accrued and included under the heading Accounts payable and accrued liabilities.

As consideration for the exchange of the notes, the director/officer received 2,500,000 warrants which may be converted into 2,500,000 common shares at an exercise price of $0.14 expiring on November 30, 2035. In addition, the director/officer received a fee of five percent (5%) of the value of the notes paid in common shares on October 13, 2023 at the trading price of the shares of the Company at that date.

Loan payable, Madison Partners Corporation

$250,000 of the Company's secured debt that was initially due on July 5, 2023 was acquired by Madison Partners Corporation (the "Madison Debt"). Madison Partners Corporation agreed to extend the Madison Debt until September 22, 2024 and in exchange the Company agreed to (i) issue 1,250,000 warrants to Madison Partners Corporation, where each warrant may be exercised for one Common Share at a price of $0.14, for a one year term and (ii) pay a loan fee of $12,500 to Madison Partners Corporation which was paid in Common Shares at the end of the first calendar quarter following the date hereof, with each such Common Share being issued at the closing market price of a Common Share on the Canadian Securities Exchange on the last trading day immediately prior to the end of the relevant calendar quarter. Interest on the Madison Debt is 12.0% per annum calculated monthly, compounded, accrued, added to the principal amount and payable quarterly in arrears on a calendar quarter basis (each an "Interest Payment Date") until the Madison Debt is fully repaid. Interest will be paid in Common Shares at the price per share equivalent to the closing market price of a Common Share on the Canadian Securities Exchange on the last trading day immediately preceding the end of the relevant Interest Payment Date. The Company is entitled to prepay the outstanding principal amount, in whole or in part, together with all accrued interest, without penalty or bonus.

Compensation of key management personnel

Key management personnel includes having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. Key management personnel comprise the directors (executive and non-executive) and officers.

This table represents the total value of compensation provided to the executives:

	Three months ended November 30 2023		Three months ended November 30 2022	
Officers	**Salaries $**	**Stock-based compensation $**	**Salaries $**	**Stock-based compensation $**
Mark Upsdell, for his services as Chief Executive Officer	37,500	-	37,500	-
Jason Lewis, for his services as Senior Vice President, Business Development	37,500	-	37,500	43,939
Doug Hyland, for his services as Interim CFO	37,500	-	37,500	43,938
	112,500	-	112,500	87,877

The remuneration of the key management personnel during the nine ended November 30, 2023 and 2022 were as follows:

	2023 $	**2022 $**
Salaries	337,500	337,500
Stock-based compensation	-	87,877
	337,500	412,877

Changes in key management personnel

Date	**Change**
September 18, 2023	Andrew Duckman resigned as Director
August 2, 2023	Christine Hrudka, Marisa Cornacchia and Andrew Duckman were appointed Directors
April 14, 2023	John McKimm was appointed a Director to the Board of Directors of the Company
April 14, 2023	Jason Lewis resigned as Director form the Board of Directors
March 19, 2022	Thomas Bryson’s employment contract with the Company ended on March 19, 2023, and was not renewed.
March 19, 2022	Thomas Bryson was appointed President of Rapid Dose Therapeutics Corp.
August 13, 2020	Peter Thilo Hasler was appointed as a director.
August 29, 2020	Ken Fox resigned as a director.
February 28, 2020	Doug Hyland was named interim Chief Financial Officer (“CFO”) to hold the position until such time as a replacement CFO was appointed.
February 20, 2020	Donald Sheldon resigned as a director and Miles Nagamatsu resigned as Chief Financial Officer.

Promoters

Mark Upsdell was considered a promoter of the Company in 2018 by having taken the initiative in substantially reorganizing the business of the Company in connection with its amalgamation and reverse takeover transaction which resulted in the Company’s common shares listing on the Canadian Securities Exchange. Mark Upsdell continues to be a promoter of the Company due to his continued involvement in the governance and management of the Company and his shareholdings in the Company.

Mr. Upsdell is currently a director as well as the Chief Executive Officer of the Company and owns 11,769,390 common shares of the Company representing approximately 11% of its issued and outstanding shares. Mr. Upsdell also holds 1,000,000 stock options exercisable at $0.82 per share.

Pursuant to an employment agreement between the Company and Mark Upsdell for his services as Chief Executive Officer and President of the Company, Mr. Upsdell is compensated at the rate of $300,000 annually. During the Covid-19 pandemic, Mr. Upsdell agreed to temporarily waive a portion of his compensation in order to conserve the Company's cash resources and his base salary was accordingly set at $150,000. Depending on the Company's financial position going forward, Mr. Upsdell's base salary may return to the amount entitled under his employment agreement.

Statement of Corporate Governance

National Instrument 58-101: *Disclosure of Corporate Governance Practices* ("NI 58-101") requires the Company to disclose, on an annual basis, its approach to corporate governance with reference to the governance guidelines provided in National Policy 58-201: *Corporate Governance Guidelines* ("NP 58- 201").

The Company has reviewed its corporate governance practices under the guidelines contained in NP 58- 201. The Company's practices comply generally with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current state of development and therefore the Company's governance practices do not reflect these particular guidelines. Set out below is a description of the Company's corporate governance practices as required to be disclosed by NI 58-101.

Board of Directors

At the annual general meeting of the shareholder of the Company on August 2, 2023 a slate of three new independent Board members was elected. Current Board members re-elected were Peter Thilo Hasler and John McKimm and are independent directors of the Company within the meaning of NI 58-101. Mark Upsdell was re-elected and appointed Chairman. Mr Upsdell is not independent by virtue of being the Chief Executive Officer of the Company.

Directorships

None of the directors is currently a director of any other issuers that are reporting issuers (or the equivalent) in a jurisdiction in Canada or abroad, other than John McKimm who is a director of Cansortium Inc. (CSE: TIUM).

Orientation and Continuing Education

Changes to the Board are infrequent so there is no need for a formal orientation program for directors. The Board does not provide formal continuing education for directors. Directors of RDT maintain the skill and knowledge necessary to meet their obligations as directors through a combination of their existing education, experience as businesspersons and managers, professional continuing education requirements, service as directors of other issuers and advice from RD''s legal counsel, auditor, and other advisers.

The Company does not offer a formal orientation and education program for new directors. The new directors familiarize themselves with the Company by speaking to other directors and by reading documents provided by the executive officers.

Ethical Business Conduct

RDT is in its formative and development stages, the Board has not yet adopted a written code of business conduct and ethics for its directors, officers, and employees. The Board believes that the skill and knowledge of the Board members and advice from counsel ensure that the directors of RDT exercise good judgment in considering transactions and agreements in respect of which a director or officer has a material interest.

Directors and officers of RDT are expected to disclose dealings in the industry in which RDT operates. They are also subject to the general obligation under corporate law to declare and fully disclose any conflict of interest, refrain from participating in any discussion and not vote on any material contract or transaction with RDT in which the applicable director or officer has an interest. Accordingly, any such related party contract or transaction would require approval of the directors who are independent of the contract or transaction or, if there is no director who is independent of the contract or transaction, shareholder approval or ratification.

The Board monitors the ethical conduct of the Company and its management and ensures that it complies with applicable legal and regulatory requirements. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

RDT does not have a formal process or committee for proposing new nominees to the Board.

Compensation

Given RDT's current size and stage of development, its Board has not appointed a compensation committee and, accordingly, its Board as a whole is responsible for determining the compensation (including long-term incentives in the form of stock options) to be granted to RDT's executive officers (including the chief executive officer) and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation, thereby providing any independent members of the Board with considerable input as to executive compensation.

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation for executive officers. Neither the Company nor the Board currently has any contractual arrangement with any executive compensation consultant. The Board reviews and makes determinations with respect to executive officer compensation on an *ad hoc* basis. When determining executive officers' compensation, the Board reviews the performance of executive officers based on their achievements during the preceding year.

The Board uses all the data available to it to ensure that the Company is maintaining a level of compensation that is both commensurate with the size of the Company and sufficient to retain key personnel. In reviewing comparative data, the Board does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and does not compare its compensation to a specific peer group of companies. In the Board's view, external data provides insight into external competitiveness, but it is not an appropriate single basis for establishing compensation levels. External data is considered, along with an assessment of individual performance and experience, the Company's business strategy, and general economic considerations.

Other Board Committees

With the exception of the Audit Committee, the Board has no other standing committees.

Assessments

The Board has responsibility for assessing the effectiveness of the Board as a whole, and the contribution of individual directors. Due to the small size of the Board, no formal process is in place. Shareholders have the ultimate authority to determine whether to re-elect the current directors or to elect one or more replacement directors.

The directors, the Board and its committees are assessed on an ongoing basis by reviewing their respective attendance and performance. The Board expects to establish a formal assessment process in the future.

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Advisory Board

There have been no appointments to the advisory board in the current fiscal year ending February 29, 2024.

There were two appointments to the Company's Advisory Board in the 4th quarter of fiscal year 2022.

Dr. Rick Tytus
Dr. Tytus is an Associate Clinical Professor in the Department of Family Medicine at McMaster University and co-founder of Banty, a virtual medical video platform. He has a proven track record working with innovative approaches that enhance a patient's interaction with health care providers. Dr. Tytus is the Chair for District Four of the Ontario Medical Association (OMA) and an active member of the National Virtual Care Task Force.

Previously, Dr. Tytus served on the Board for the OMA, is Past-Chair of OntarioMD, and Past President of the Hamilton Academy of Medicine. Dr Tytus is a well-respected member of the medical community and a leader in medical education.

Dr. Glogauer
Dr. Glogauer is the Dentist in Chief at the University Health Network and Princess Margaret Cancer Centre and a Full Professor in the Faculty of Dentistry at the University of Toronto. His keen interest in research makes Dr. Glogauer the ideal Scientific Director at the Centre for Advanced Dental Research and Care at Mt. Sinai Hospital and the Chief Scientific Officer and Founder of Ostia Sciences Inc.

The Advisory Board has been constituted to provide guidance to management and the Board of Directors regarding strategic initiatives relating to the development of the Company's intellectual properties. Advisory Board members are eligible for Share Purchase Options granted pursuant to the Company's Stock Option Plan.

On December 15, 2021, 250,000 share purchase options were issued at $0.55 per share vesting semi-annually over two years and expiring on December 15, 2026.

On January 5, 2022, 200,000 share purchase options were issued at $0.51 per share vesting semi-annually over two years and expiring on January 5, 2027.

On behalf of the Board of Board of Directors, thank you for your continued support:

"Mark Upsdell"

Mark Upsdell, CEO