



COGNETIVITY NEUROSCIENCES LTD.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS**

For the Period ended October 31, 2020

GENERAL

This Management's Discussion and Analysis ("MD&A") has been prepared by management as of December 23, 2020, and it presents an analysis of the consolidated financial position of Cognetivity Neurosciences Ltd. (the "Company") for the period ended October 31, 2020. The following information should be read in conjunction with the consolidated financial statements of the Corporation for the year ended January 31, 2020, including the notes contained therein. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

Unless otherwise indicated, references to \$ or "dollars" are to Canadian dollars.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, regulatory compliance, sufficiency of working capital, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

BUSINESS OVERVIEW

Cognetivity Neurosciences Ltd. (the "Company") was incorporated on December 11, 2015 under the laws of British Columbia, Canada. Its head office is located at 2250 – 1055 West Hastings Street, Vancouver, BC, V6E 2E9, Canada and registered office is located at 1500-1055 W. Georgia St., Vancouver, BC, V6E 4N7, Canada. The Company is a technology company developing a cognitive testing platform, the Integrated Cognitive Assessment (ICA), for use in medical and commercial environments for potentially allowing early diagnosis of dementia.

The Company's common shares commenced trading on the Canadian Securities Exchange (the "CSE") on March 19, 2018 under the stock symbol "CGN". The Company also commenced trading on the Frankfurt Stock Exchange in Germany under the stock symbol "IUB" and the OTCQB in USA under the stock symbol "CGNSF" on May 3, 2018 and September 4, 2018 respectively.

SIGNIFICANT EVENTS AND MILESTONES

On January 24, 2019, the Company announced that it has signed a commercial agreement with Dementias Platform UK (DPUK) to become its ninth industry partner. Cognetivity will join forces with DPUK's existing partnership which includes many highly notable researchers from both academia and industry combining ground breaking approaches from some of the world's best research universities with the R&D skills and knowledge of world-leading pharmaceuticals companies in strategic partnership initiatives.

On August 13, 2019, the Company has received formal approval from the China National Intellectual Property Administration (CNIPA), for its patent covering the Company's unique system for assessing a mental health disorder in a human subject. The patent covers a number of key elements of Cognetivity's proprietary cognitive assessment platform including the type and durations of images displayed, the capturing of responses, the methods of analysis used and the use of the system for the detection of dementia and Alzheimer's disease.

On January 7, 2020, the Company confirmed that its integrated Cognitive Assessment (ICA) software has been approved as a CE-marked medical device. The announcement follows Cognetivity's registration of the ICA with the UK's Medicines and Healthcare products Regulatory Agency (MHRA) last month and enables the ICA to be used clinically across Europe.

On February 18, 2020, the Company has reported that it is developing a novel smartphone app focused on the personalised tracking and management of cognitive performance. The product is being designed for use in non-clinical environments but will be powered by the same technology as the Integrated Cognitive Assessment (ICA), the company's flagship product and recently CE-marked medical device.

On September 29th 2020, the Company announced its first deployment of its CE-market ICA platform in a clinical setting, with its technology being used by specialist doctors in the UK National Health Service. North Staffordshire Combined Healthcare NHS Trust, one of only two specialist mental health Trusts in England to receive an overall 'Outstanding' rating from the Care Quality Commission (CQC) in 2019, deployed the ICA within its care pathway for patients with suspected dementia; the first use of the ICA in a specialist clinical setting.

On November 17th the company announced the first deployment of its CE-marked ICA in primary healthcare, being used by primary healthcare practitioners as an artificial intelligence based digital tool to aid monitoring for UK National Health Service (NHS) patients with pre-dementia symptoms. Monitoring of these Mild Cognitive Impairment (MCI) patients is important in early diagnosis and determining disease progression, but has traditionally been problematic and time consuming using previously available methods. Cognetivity's ICA's speed, ease of use and objectivity allows effective detection and monitoring in this critical phase, helping to improve patient outcomes.

Currently, Cognetivity pursues its growth strategy by:

1. Carrying out a validation trial for the ICA which is specifically designed to provide data to allow regulatory approval as a Class 2 medical device in the USA and Canada to allow its use in clinical environments in these markets.
2. Continuously developing the ICA platform's technical capability to allow its distribution on other platforms, and its integration with a wide range of healthcare data providers, Electronic Health Record (EHR) system providers and 3rd party digital healthcare platforms.
3. Developing strategic partnerships with targeted healthcare service providers for the use of the ICA as a screening tool in primary healthcare, including the NHS in the UK, healthcare providers and clinics in the USA and Canada.
4. Developing strategic partnerships with large health insurers, particularly in the USA, with the aim of including the ICA in mandated regular health checks and to be used for the early screening for dementias in affiliated clinics and health centers, leading to reduced costs of treatment for payers.
5. Developing strategic partnerships with large pharmaceutical companies, both for market access for a stand-alone digital tool and as an adjunct technology for pharmaceutical products.

6. Publishing trial results in internationally recognised peer reviewed journals and presenting results at international scientific and healthcare conferences
7. Developing the ICA for home use, for the remote monitoring of patient's progress under treatment regimens and for general home healthcare check-ups.
8. Upon completion of regulatory approval, hiring and training business development and sales staff to sell the ICA in targeted markets.
9. Hiring and training customer support representatives as required providing technical support for the Company's customers.
10. Applying for grants and government assistance as applicable to help to develop the ICA platform into commercial markets both in healthcare and consumer health monitoring, and to develop in-house capability in sales, development and support.

OVERALL PERFORMANCE

The consolidated statements of financial position as of October 31, 2020 indicates a cash balance of \$253,783 (January 31, 2020 – \$578,229) and total current assets of \$321,677 (January 31, 2020 – \$711,019).

Current liabilities at October 31, 2020 total \$1,172,843 (January 31, 2020 - \$1,011,100). Shareholders' deficiency of \$812,947 (January 31, 2020 - \$263,035) is comprised of common shares of \$7,371,369 (January 31, 2020 - \$7,031,074), equity portion of convertible debentures of \$41,028 (January 31, 2020 - \$41,028), reserves of \$1,618,138 (January 31, 2020 - \$1,587,105), accumulated deficit of \$9,825,598 (January 31, 2020 - \$8,909,434), and accumulative other comprehensive loss of \$17,884 (January 31, 2019 – \$12,808).

As at October 31, 2020, the working capital deficit is \$851,166 (January 31, 2020 - \$300,081).

DISCUSSION OF OPERATIONS

The Company incurred \$916,164 of net loss for the period ended October 31, 2020 (October 31, 2019 – \$2,309,435) as the Company had not commenced generating revenue yet. The Company's operations are in their early stages and no comparative or trend discussion is relevant.

Comparison of Results of Operations

Current Quarter

During the quarter ended October 31, 2020, the Company reported a net loss of \$95,944 (October 31, 2019 - \$756,191) and a net comprehensive loss of \$102,502 (October 31, 2019 - \$764,770). The decreases losses were mainly due to decrease in research and development expense, consulting fees, marketing and advertising, and travel expenses and received a grant from Innovate UK.

During the quarter ended October 31, 2020, the Company recorded operating expenses of \$675,243 (October 31, 2019 - \$742,265). The largest factors contributing to the operating expenses were consulting fees, research and development, and salaries and benefits expenses. Consulting fees of \$153,949 (October 31, 2019 - \$189,437) were due to the Company has engaged consultants for providing clinical testing for the cognitive testing platform, the integrated Cognitive Assessment (ICA). Research and development expenses of \$154,005 (October 31, 2019 - \$257,314) were related to the Company decreased its research on developing an Artificial Intelligence-driven platform for detection of cognitive performance in Alzheimer's and pre-Alzheimer's patients. Salaries and benefits of \$312,394 (October 31, 2019 - \$103,882) were related to the increase in employees and their salaries. Due to the global pandemic, the Company was able to negotiate a better pricing for its rent and received credits during the period.

Year-to-date

During the period ended October 31, 2020, the Company reported a net loss of \$916,164 (October 31, 2019 - \$2,309,435) and a net comprehensive loss of \$911,088 (October 31, 2019 - \$2,323,213). The decreased losses were mainly due to a tax credit for research and development, decrease in consulting fees, marketing and advertising, and travel expense, and the increase in other income (grant from Innovate UK). The decreases in marketing and advertising expenses, consulting fees, and travel expense were due to reduced promotion and marketing in the European market and the global pandemic. The increase in other income was due to the Company receiving grants from Innovate UK.

During the period ended October 31, 2020, the Company recorded operating expenses of \$1,504,290 (October 31, 2019 - \$2,298,590). The largest factors contributing to the operating expenses were consulting fees, research and development, and salaries and benefits. Consulting fees of \$410,962 (October 31, 2019 - \$636,502) were mainly from fees paid to consultants for providing clinical testing for the cognitive testing platform (the integrated Cognitive Assessment (ICA)), and corporate advisory. During the period ended October 31, 2020, the Company recorded research and development tax credits of \$465,817. The credit tax credits were due to the Company submission of the tax credit claim for fiscal year 2020 subsequent to year ended January 31, 2020, and the resubmission of its research and development tax credit claims for fiscal years 2018 and 2019 in order to obtain additional tax credits. During the period October 31, 2019, the Company incurred research and development expenses of \$672,024 which were related to its research on developing and testing an Artificial Intelligence-driven platform for detection of cognitive performance in Alzheimer's and pre-Alzheimer's patients. Salaries and benefits expenses of \$782,742 (October 31, 2019 - \$299,501) were related to the increase in the number of employees and their salaries.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of the Company. This information is derived from unaudited quarterly consolidated financial statements prepared by management. These financial data are prepared in accordance with IFRS.

	Qtr 3 October 31, 2020	Qtr 2 July 31, 2020	Qtr 1 April 30, 2020	Qtr 4 January 31, 2020	Qtr 3 October 31, 2019	Qtr 2 July 31, 2019	Qtr 1 April 30, 2019	Qtr 4 January 31, 2019
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Loss	95,944	659,445	169,773	335,679	756,191	788,369	764,875	923,885
Basic and diluted loss per share	0.00	0.02	0.00	0.01	0.02	0.02	0.02	0.02
Total assets	359,896	224,773	614,623	748,065	479,396	331,427	1,060,552	716,321
Working Capital (deficiency)	(851,166)	(979,983)	(361,472)	(300,081)	(604,864)	132,071	826,100	453,464

Three Months Ended October 31, 2020

During the quarter ended October 31, 2020, the Company reported a net loss of \$95,944 (October 31, 2019 - \$756,191) which derived from mainly consulting fees, professional fees, research and development, and salaries and benefits expenses and offset by the Innovate UK grant received.

LIQUIDITY AND CAPITAL RESOURCES

At October 31, 2020, the Company had a cash balance of \$253,783 (January 31, 2020 - \$578,229). The decrease in total cash was mainly due to operating expenses which were consulting fees, research and development, and salaries and benefits expenses. The Company has working capital deficit of \$851,166 as at October 31, 2020 (January 31, 2020 - \$300,081).

Net cash used in operating activities for the period ended October 31, 2020 was \$502,169 compared to \$1,674,708 for the period ended October 31, 2019. Decrease was mainly due to decrease in operating expenses.

Net cash used for investing activities for the period ended October 31, 2020 was \$9,911 compared to net cash provided by investing activities of \$115,998 for the period ended October 31, 2019. Decrease in net cash provided was due to decreased redemption of short-term investments during the period.

Net cash provided by financing activities for the period ended October 31, 2020 was \$192,825 compared to \$1,570,781 for the period ended October 31, 2019. Decrease was mainly due to the fact that there was no financing during the period ended October 31, 2020.

A summary of the Company's contractual obligations at October 31, 2020 is detailed in the table below.

Contractual Obligations	Payments Due by Year				
	Total	Less than 1 Year	1 – 3 Years	4 – 5 Years	After 5 Years
Accounts payable and accrued liabilities	\$ 632,644	\$ 632,644	N/A	N/A	N/A
Convertible debenture	\$ 358,679	\$ 358,679	N/A	N/A	N/A
Due to related parties	\$ 181,520	\$ 181,520	N/A	N/A	N/A
Total	\$ 1,172,843	\$ 1,172,843	N/A	N/A	N/A

COMMITMENT

On January 21, 2019, Cog UK signed a commercial agreement with Dementias Platform UK (“DPUK”). Cog UK will supply the use of its cognitive testing platform and associated hardware of up to \$431,000 (GBP 250,000) to DPUK on an as-needed basis. Cog UK can terminate the agreement at any time without any penalty. During the period ended October 31, 2020, \$nil has been supplied to DPUK (2020: \$nil).

On April 30, 2019, Cog UK signed a consultant agreement with Tarragon Commercial Solutions Limited (“Tarragon”). Cog UK shall issue Tarragon a total of 200,000 ordinary shares in the Company. The shares shall be held by the Company in escrow and these shares shall be released on quarterly basis upon achievement of each of the performance criteria identified in the milestones schedule included in the consultant agreement. During the period ended October 31, 2020, the Company issued 50,000 common shares at a price of \$0.285 per share to Tarragon as compensation for the achievement of milestone 1 as outlined in the schedule.

LICENSE AGREEMENT

There are no license agreements.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this management discussion and analysis, the Company does not have any off balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

TRANSACTIONS BETWEEN RELATED PARTIES

During the periods ended October 31, 2020 and 2019, the Company incurred the following expenses to related parties:

	Nine Months Ended		Three Months Ended	
	2020	2019	2020	2019
Consulting fees – CEO and a director	\$ 154,827	\$ 151,866	\$ 51,645	\$ 49,206
Salaries and wages – CMO and a director	46,448	45,560	15,493	14,762
Salaries and wages – CSO	46,448	45,560	15,493	14,762
Consulting fees – CCO and a director	46,448	45,560	15,493	14,762
Consulting fees – COO	46,448	45,560	15,493	14,762
	<u>\$ 340,619</u>	<u>\$ 334,106</u>	<u>\$ 113,617</u>	<u>\$ 108,254</u>

As at October 31, 2020 and January 31, 2020, the Company has the following balance owing to (due from) related parties:

	October 31, 2020	January 31, 2020
CEO and a director	\$ 85,336	\$ 25,931
CMO and a director	6,659	4,674
CSO	16,023	8,777
CCO and a director	42,445	19,940
COO	31,057	15,692
	<u>\$ 181,520</u>	<u>\$ 75,014</u>

Due to/from related parties are unsecured, non-interest bearing, and due on demand with no specific terms of repayment.

On September 26, 2019, the Company entered into a convertible loan agreement with the CEO and Director of the Company and issued a convertible note in the aggregate principal amount of \$164,110.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Adoption of new accounting standards

The Company adopted IFRS 16 effective from February 1, 2019 using modified retrospective approach. The adoption does not have impact on the Company's consolidated financial statements.

IFRS 16 Leases

On January 13, 2016, the International Accounting Standards Board published a new standard, IFRS 16, Leases, eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Under the new standard, a lease becomes an on-balance sheet liability that attracts interest, together with a new right-of-use asset. In addition, lessees will recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted.

IFRIC 23 – Uncertainty Over Income Tax Treatments

The Company adopted IFRIC 23 on January 1, 2019 with retrospective application. IFRIC 23 clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. The effect of uncertain tax treatments is recognized at the most likely amount or expected value. The adoption of IFRIC 23 did not have any impact on the Company's financial results or disclosures.

FINANCIAL INSTRUMENTS

Fair value of financial instruments

Financial instruments of the Company carried on the Interim Condensed Consolidated Statements of Financial Position are all carried at amortized cost. There are no significant differences between the carrying value of these financial instruments carried at amortized cost and their estimated fair values as at October 31, 2020 and January 31, 2020 due to the short term nature of the instruments.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash and short term investment. Risk associated with cash and short term investment is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company aims to ensure that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash and short term investment. The Company believes that the capital sources will be sufficient to cover the expected short and long-term cash requirements by obtaining financing through the issuance of debt or common shares.

Contractual undiscounted cash flow requirements for financial liabilities as at October 31, 2020 are presented below and all the liabilities will be due within 1 year:

Contractual Obligations	
Accounts payable and accrued liabilities	\$ 632,644
Convertible debenture	358,679
Due to related parties	181,520
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Total	\$ 1,172,843
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Interest rate risk

The Company has cash balances and short term investment. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company is not currently exposed to interest rate risk.

CAPITAL MANAGEMENT

The Company considers its cash and share capital as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue

new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company is not subject to any externally imposed capital restructure. There was no change in the Company's approach to capital management during the period ended October 31, 2020.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company's issued and outstanding share capital as at the date of this report is as follows:

(1) Authorized: Unlimited common shares and unlimited Class B Share without par value.

(2) As at the date of this MD&A, the Company has 69,993,524 common shares, 4,718,000 stock options, 5,229,973 warrants, 719,789 finders' warrants, 332,000 restricted share units issued and outstanding.

(3) The Company has 2,447,802 common shares held in escrow.

ADDITIONAL DISCLOSURE FOR JUNIOR ISSUERS

The Company has expensed the following material cost components:

	For the periods ended	
	October 31, 2020	October 31, 2019
Consulting fees	\$ 410,962	\$ 636,502
Marketing and advertising	33,558	351,738
Research and development	(40,529)	672,024
Salaries and benefits	782,742	299,501
Share-based payment	31,661	12,200

Consulting fees were related to the Company engaged consultants for providing clinical testing for the cognitive testing platform, the integrated Cognitive Assessment (ICA).

Marketing and advertising expenses were related to the Company engaged an advertising company for creating and optimizing the advertisement.

Research and Development credit balance was due to the Company submitted the research and development tax credit for fiscal year 2020 subsequent to year ended January 31, 2020, and resubmitted the tax credit claims for fiscal year 2019 and 2018 to obtain additional tax credits.

Salaries and benefits were related to the increase in number of employees and their salaries.

Share-based payment is a non-cash expense. During the period ended October 31, 2020, the Company granted 618,000 stock options to employees, and granted 332,000 RSUs to a consultant, which recorded a total share-based payment of \$31,661 (October 31, 2019 – \$12,200).

SUBSEQUENT EVENTS

On December 22, 2020, the Company completed a non-brokered private placement of 8,984,167 units ("Units") at a price of \$0.30 per Unit for gross proceeds of \$2,695,250. Each unit consists of one common share and one-half common share purchase warrant. Each whole warrant is exercisable at a price of \$0.40 for a period of 24 months from closing. The Company paid \$167,318 in cash and issued 557,725 finder's warrants with the same terms as the Unit's warrant.

RISK FACTORS

Market Risk for Securities

We are a reporting issuer company whose common shares are not listed for trading on a stock exchange. There can be no assurance that an active trading market for our common shares will be established and sustained. Upon a listing, the market price for our common shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of our securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Uninsured or Uninsurable Risk

We may become subject to liability for risks against which we cannot insure or against which we may elect not to insure due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for our usual business activities. Payment of liabilities for which we do not carry insurance may have a material adverse effect on our financial position and operations.

Conflicts of Interest Risk

Certain of our directors and officers are also directors and operators in other companies. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers conflict with or diverge from our interests. In accordance with the BCBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to our best interests. However, in conflict of interest situations, our directors and officers may owe the same duty to another company and will need to balance their competing interests with their duties to us.

Circumstances (including with respect to future corporate opportunities) may arise that may be resolved in a manner that is unfavourable to us.

Key Personnel Risk

Our success will depend on our directors and officers to develop our business and manage our operations, and on our ability to attract and retain key quality assurance, scientific, sales, public relations and marketing staff or consultants once operations begin. The loss of any key person or the inability to find and retain new key persons could have a material adverse effect on our business. Competition for qualified technical, sales and marketing staff, as well as officers and directors can be intense and no assurance can be provided that we will be able to attract or retain key personnel in the future, which may adversely impact our operations.

No Established Market for Shares Risk

There is currently no established trading market through which common shares in our authorized capital may be sold. Even if a trading market develops, there can be no assurance that such market will continue in the future. You may lose your entire investment.

Going-Concern Risk

The consolidated financial statements of the Company have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. Our future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that we will be successful in completing equity or debt financing or in achieving profitability. The consolidated financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should we be unable to continue as a going concern.

Global Economy Risk

The ongoing economic slowdown and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. We will be dependent upon the capital markets to raise additional financing in the future, while we establish a client base for our product. Access to financing has been negatively impacted by the ongoing global economic downturn. As such, we are subject to liquidity risks in meeting our development and future operating cost requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact our ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to us and our management. If uncertain market conditions persist, our ability to raise capital could be jeopardized, which could have an adverse impact on our operations and the trading price of our Common Shares on the Exchange.

Share Price Volatility Risk

It is anticipated that our common shares will be listed for trading on the Exchange. As such, external factors outside of our control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward the medical marijuana sector stocks may have a significant impact on the market price of our common shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. There can be no assurance that an active or liquid market will develop or be sustained for the common shares.

Novel Corona Virus Known as “Covid-19”

The Company may be impacted by business interruptions resulting from pandemics and public health emergencies, including those related to COVID-19. An outbreak of infectious disease, a pandemic, or a similar public health threat, such as the recent outbreak of COVID-19, or a fear of any of the foregoing, could adversely impact the Company by causing operating and project development delays and disruptions, labor shortages, travel disruption (including as a result of government regulation and prevention measures). It is unknown whether and how the Company may be affected if such a pandemic persists for an extended period of time, including as a result of the waiver of regulatory requirements or the implementation of emergency regulations to which the Company is subject. The Company may incur expenses or delays relating to such events outside of its control, which the Company cannot estimate the length and severity of these developments or quantify the impact this pandemic may have on the financial results and condition of the Company in future periods.