Gemina Laboratories Ltd.

Management Discussion and Analysis
(in Canadian dollars)

For the year ended January 31, 2022

This management discussion and analysis ("**MD&A**") should be read in conjunction with the audited consolidated financial statements and notes of Gemina Laboratories Ltd. ("Gemina" or the "**Company**") for year ended January 31, 2022. Our audited consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and all dollar amounts are expressed in Canadian dollars unless otherwise noted. In this discussion, unless the context requires otherwise, references to "we" or "our" are references to Gemina. Additional information relating to our Company, including Annual Information Form ("AIF") dated May 30, 2022, is available by accessing the SEDAR website at www.sedar.com.

All information contained in this MD&A is current as of May 30, 2022, unless otherwise stated.

Forward Looking Statements

Certain statements and information in this MD&A contain forward-looking statements or forward-looking information under applicable Canadian securities legislation that may not be based on historical fact, including, without limitation, statements containing the words "believe", "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect", "predict", "project", "potential", "continue", "ongoing", "could", "would", "seek", "target" or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words and similar expressions.

Forward-looking statements are necessarily based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as factors that we believe are appropriate. Such forward-looking statements reflect our current views with respect to future events, are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Gemina as of the date of such statements, are inherently subject to significant scientific, business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause our actual results, performance, achievements, prospects or opportunities to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. In making the forward-looking statements included in this MD&A, the Company has made various material assumptions, including, but not limited to: (i) obtaining any regulatory approvals; (ii) assumptions regarding general business and economic conditions; (iii) the Company's ability to successfully develop its products; (iv) that the Company's current positive relationships with third parties will be maintained; (v) the availability of financing on reasonable terms; (vi) the Company's ability to attract and retain skilled employees and consultants; (vii) assumptions regarding market competition; (viii) the products and technology offered by the Company's competitors and (ix) the Company's ability to protect patents and proprietary rights.

In evaluating forward-looking statements, current and prospective shareholders should specifically consider various factors, including the risks outlined under the heading "*Risk Factors*" in the Company's AIF filed on SEDAR (www.SEDAR.com). Should one or more of these risks or uncertainties, or a risk that is not currently known to us, materialize, or should assumptions underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein. These forward-looking statements are made as of the date of this MD&A and we do not intend, and do not assume any obligation, to update these forward-looking statements except as required by applicable securities laws. Investors are cautioned that forward-looking statements are not guarantees of future performance and are inherently uncertain. Accordingly, investors are cautioned not to put undue reliance on forward-looking statements.

1 Overview of the Company

Gemina Laboratories Ltd. (the "Company" or "Gemina") is a biotechnology Company that currently operates in the *In Vitro* Diagnostics ("**IVD**") market under the name "Gemina Labs." The Company was incorporated under the laws of British Columbia on October 10, 2017. On February 10, 2021, the Company changed its name from "D1 Capital Corp." to "Gemina Laboratories Ltd.". The Company's head office is located at 3800 Westbrook Mall, Suite 142, Vancouver, British Columbia, and its registered and records is located at 10th floor, 595 Howe Street, Vancouver, British Columbia.

Gemina is a biotechnology company that currently operates in the *In Vitro Diagnostics* ("**IVD**") and human wellness monitoring markets under the name "Gemina Labs." The Company endeavors to develop novel surface functionalization chemistries for the detection of pathogens and biomarkers (the "**Gemina Surface Chemistry**"). The near-term application of the Gemina Surface Chemistry is in point-of-care diagnostics. In particular, the Company has developed a first-generation technology (the "**Generation 1 Technology**"), which it plans to include within an initial demonstration product namely: a point-of-care lateral flow assay to test whether or not a person is currently infected with COVID-19 (the "Legio-X™ COVID Rapid Antigen Test"). In the longer term, the Company believes the Gemina Surface Chemistry may have application beyond human health, for instance: the detection of biomarkers for human wellness monitoring, and the detection of pathogens in the built environment, to food and potable water safety and in veterinary medicine.

2 Products

LEGIO-X™ COVID RAPID ANTIGEN TEST

The Company's first product under development is the Legio-X™ COVID Rapid Antigen Test. This Point of Care ("POC") COVID Rapid Antigen Test is based on embedding the Gemina Surface Chemistry in a lateral flow assay test strip and will be designed for the purposes of testing whether or not a person is currently infected with COVID-19. Generally speaking, an antigen test is designed to confirm whether a pathogen is present in the subject to a detectable level, providing a very good indication of infection. Unlike nucleic acid-based tests such as PCR, which detect the presence of genetic material, the Company's POC COVID Antigen Test detects a protein found on the surface of the COVID-19 virus.

Gemina achieved prototype design freeze for its POC COVID Antigen Test at the end of June 2021 and subsequently transferred the program to its manufacturing partner, IPOC, for Phase 1 manufacturability testing. As the Company announced in September 2021, Phase 1 results indicate that IPOC was able to repeatedly detect 1 ng/mL of SARS-CoV-2 N protein in pooled human saliva. This result confirms earlier independent laboratory results with Gemina's POC COVID Antigen Test indicating the company was able to reliably detect recombinant SARS-CoV-2 nucleocapsid in saliva and nasal fluid samples with significantly higher sensitivity when compared with a panel of seven leading commercial rapid antigen tests (Lancet – Corman, et al. 2021). The low level of detection achieved in this test is five times better than the market leading tests evaluated in the Lancet study.

In the context of testing for viruses (like COVID-19), lower limit of detection will allow for earlier and more reliable detection of the virus in patient samples. Since airborne transmission plays a critical role in the distribution of the COVID-19 virus, having access to early, reliable and cost-effective detection plays a critical role as a public health measure to control or limit the chains of infection, and prevent or reduce viral spread.

In February 2022, the Company froze the design of this prototype for shallow nasal swab testing. In early May 2022, the Company announced the results of sensitivity and specificity trials of this test, utilizing more than 500 human clinical samples. This successful development culminated in the CE Mark being granted for the European Union in late May 2022.

A Lateral Flow Assay Family

The Company's second research and development programme commenced in late 2020 and focuses on the implementation of subsequent generations of the Gemina Surface Chemistry into lateral flow assay architectures. The Company believes that this is a significant step in demonstrating the broad applicability of the Gemina Surface Chemistry, and has the potential to lead to the rapid development of a "family" of POC lateral flow assay tests. The Company announced that it had launched the first of these development programmes, a Flu A/B test, on 28 April 2022.

Products Beyond Lateral Flow

The Company continues to actively explore opportunities (both within and outside Canada) to launch research and development programmes that extend use-cases for the Gemina Surface Chemistry above and beyond today's available lateral flow assay test strips.

Products for non-IVD markets

The Company has started to evaluate the human wellness market: namely whether, in addition to the development of medical diagnostic tests for the IVD market, the Gemina Surface Chemistry supports applications in human wellness monitoring (e.g. fatigue, stress monitoring).

TestPoint software

The Company continues to believe that the future of biosensing will require physical biosensing technologies to be integrated into digital data architectures. Accordingly, the Company has developed the first version of TestPoint, a COVID 19 risk assurance software platform, that has been designed to enable public and private sector organizations to securely and privately record the results of their COVID 19 testing. The development of TestPoint was supported by Canada's Digital Technology Supercluster, via a $990,000 consortium-based project, led by the Company. The master project agreement (the "**Master Project Agreement**") relating to the TestPoint project was entered into in August 2020 and is summarised under "Contracts" in the AIF.

3 Selected Financial Information

The financial information reported here-in has been derived from the consolidated financial statements prepared in accordance with IFRS as issued by the IASB. The Company uses the Canadian dollar as its functional and presentation currency. From time to time, the Company may deal with several research and development contractors, consultants and suppliers in other countries. Our financial results may be subject to fluctuations between the Canadian dollar and other international currencies.

The table below sets forth unaudited quarterly results prepared by management for the eight previous quarters to January 31, 2022:

	January 31, 2022	**October 31, 2021**	**July 31, 2021**	**April 30, 2021**

Research and development expenses	$656,302	$804,286	$562,475	$682,170
General and administration expenses	$651,317	$715,073	$200,410	$462,880
Transaction expenses	-	-	-	-
Loss and comprehensive loss	$1,307,619	$1,519,359	$762,885	$1,145,050
Basic and diluted loss per share	$0.02	$0.03	$0.02	$0.03

	January 31, 2021	**October 31, 2020**	**July 31, 2020**	**April 30, 2020**
Research and development expenses	$184,586	$127,644	$52,673	-
General and administration expenses	$102,402	$37,410	-	-
Transaction expenses	$329,438	-	-	-
Loss and comprehensive loss	$616,426	$165,054	$52,673	-
Basic and diluted loss per share	$0.02	$0.00	$0.00	-

The following table represents selected financial information for the Company's quarter and year ended January 31, 2022, and the period from incorporation on May 6, 2020, to January 31, 2021.

Selected Consolidated Statement of Loss and Comprehensive Loss:

	Quarter ended January 31, 2022	Quarter ended January 31, 2021	Year ended January 31, 2022	Period from incorporation on May 6, 2020 to January 31, 2021
Loss and comprehensive loss	$(1,307,619)	$(616,426)	$(4,734,913)	$(834,153)
Weighted average number of shares Basic and diluted	47,658,574	33,716,049	47,658,574	33,716,049
Basic and diluted loss per share	($0.03)	($0.02)	($0.09)	($0.02)

The Company incurred a loss and comprehensive loss for the quarter ended January 31, 2022, of **$1,307,619** compared to a loss and comprehensive loss of **$616,426** in the corresponding period of the prior period. The increased loss reflects increased net operating expenses as described below.

The Company incurred a loss and comprehensive loss for the year ended January 31, 2022, of **$4,734,913** compared to a loss and comprehensive loss of **$834,153** in the corresponding period of the prior period.

Selected Consolidated Statements of Financial Position:

	January 31, 2022 $	January 31, 2021 $
Cash	1,156,388	881,948
Restricted cash	-	1,536,375
Current assets	1,379,311	2,446,234
Total assets	1,420,142	2,527,100
Current liabilities	470,490	2,329,539
Total liabilities	475,917	2,367,139
Total shareholders' equity	944,225	159,961

During the year ended January 31, 2022, cash and restricted cash decreased to **$1,156,388** (January 31, 2021 - $2,418,323) primarily reflecting funds used in operations offset by private placements during the year.

Results of Operations:

	Three months ended January 31, 2022	Three months ended January 31, 2021	Year ended January 31, 2022	Period from incorporation on May 6, 2020 to January 31, 2021
	$			
Operating expenses				
Research and development	656,302	184,586	2,705,233	364,903
General and administrative	651,317	102,402	2,029,680	139,812
Reverse takeover transaction expense	-	329,438	-	329,438
Loss and comprehensive loss	(1,307,619)	(616,426)	(4,734,913)	(834,153)

Operating expenses - Research and Development

Our research and development expenses consist primarily of personnel compensation, research and development contractors, materials and supplies, and intellectual property expenses net of grant funding.

Research and development expenses were **$656,302** for the quarter ended January 31, 2022, compared to **$184,586** for the corresponding quarter in the prior period. During the quarter, the Company's activities were focused on developing its products:

- During the fourth quarter, the Company and its partner conducted Phase I manufacturing studies using a nasal fluid-based assay
- The Company has continued its R&D into a family of Lateral Flow Assay tests.
- The Company continued its programme to formally evaluate whether the Gemina Surface Chemistry can be applied to develop products in the human wellness monitoring market (in addition to the IVD market).

In the corresponding quarter of the prior year, the Company's primary activity was the validation (proof of concept validation) of its biochemistry platform.

Research and development expenses were **$2,705,233** (net of **214,181** grant funding. See below) for the year ended January 31, 2022. During the year, the Company's activities were focused on the following: :

- The completion of its prototype POC COVID Antigen Test. Completion of a design optimization phase and transfer to the Company's manufacturing partner in June 2021. In collaboration with our manufacturing partner we conducted Phase 1 manufacturing studies with saliva and nasal fluid-based assays.
- The Company has continued its R&D into a family of Lateral Flow Assay tests and similar rapid test devices.
- The Company has continued its exploration of human wellness healthy buildings markets outside the *in vitro* diagnostic market diagnostics.

On August 10, 2020, as amended on November 24, 2020, the Company entered into a development agreement with Canada's Digital Technology Supercluster ("CDTS") to develop a pathogen screening platform utilizing the Company's proprietary biosensors and a digital risk assurance platform. The project was completed on November 30, 2021, and under the agreement, the Company committed to certain deliverables at an estimated cost of $749,518, with the Company responsible for $368,613 and CDTS to reimburse for the remaining $380,905 (total received net of program fees $357,534). From the period of incorporation on May 6, 2020 to January 31, 2021, the Company recognized $143,353 of grant funding related to this project and for the year ended January 31, 2022, the Company recognized the remaining $214,181.

Looking ahead to 2022, the Company expects to complete the following activities:

- complete development, scale-up manufacturing and to advance commercialization via distribution and licensing agreement for its SARS – CoV-2 rapid test;
- developing product prototypes based on the Lateral Flow Assay Family and similar devices, with prototypes anticipated in 2022; and
- new research and development programmes into point of need biosensing devices, compatible with the Gemina Surface Chemistry and distinct from lateral flow assays.

Operating expenses - General and Administrative

Our general and administration expenses consist primarily of professional fees and office related expenses.

General and administration expenses for the quarter ended January 31, 2022, were **$651,317** compared to **$102,402** for the quarter ended January 31, 2021. Professional fees and personnel expenses all increased to support product and platform research and development activities as well as increased business development activities and the Company's public reporting requirements.

General and administration expenses for the year ended January 31, 2022, were **$2,029,680** compared to **$139,812 for** the period May 6, 2020 to January 31, 2021, reflecting a full year of operations in the current fiscal year. Professional fees and personnel expenses all increased to support product and platform research and development activities, as well as increased business development activities and the Company's public reporting requirements.

In its up coming fiscal year, the Company expects is general and administrative expenses will be consistent with current the current year.

4 Liquidity, Capital Resources and Outlook

	January 31, 2022 $	January 31, 2021 $
Cash	1,156,388	881,948
Restricted cash	-	1,536,375
Working capital	908,821	116,695
Shareholders' equity	944,225	159,961

As at January 31, 2022, the Company had cash of $**1,156,388** and net working capital of **$908,921** compared to cash and restricted cash of **$2,418,323** and net working capital **$116,695** at January 31, 2021. The decrease in the cash balance reflects the cash used in operations partially offset by the cash from financing activities.

The increase in working capital reflects primarily the conversion of subscription receipts to units on July 16, 2021, each unit consisting of one common share and one-half of one share purchase warrant. On July 16, 2021, the Company satisfied the listing conditions on the Canadian Securities Exchange, triggering the conversion of the subscription receipts to units. As a result of this conversion, the subscription receipts liability of $2,147,536 as at January 31, 2021 was reclassified from current liabilities to share capital.

On July 16, 2021, the restricted cash balance of $1,536,375 was no longer restricted and this amount was recognized in the Company's cash balance in the statement of financial position at January 31, 2022.

Management of Cash Resources

The Company uses cash flow forecasts to estimate cash requirements for the ensuing twelve-month period. Based on these requirements, we seek to raise equity capital as required to provide the necessary financial resources for operations, ideally for a minimum of twelve months. The timing of equity financings will depend on market conditions and the Company's cash requirements. The Company's cash flow forecasts are updated on a regular basis to reflect actual cash inflows and outflows so as to monitor the requirements and timing for additional financial resources.

The Company monitors opportunities to raise equity capital and/or secure additional funding through non-dilutive sources such as government grants and additional license agreements. However, it is possible that our cash and working capital position may not be enough to meet our business objectives in the event of unforeseen circumstances.

Cash Flows for the Year Ended January 31, 2022

Cash flows from financing activities

During the year ended January 31, 2022, the Company completed three private placements.

In February 2021, the Company issued 1,720,000 (pre-consolidation) subscription receipts for proceeds of $172,000. Each subscription receipt was exchanged for one common share and one-half of one share purchase warrant for no additional consideration. Each whole warrant has an exercise price of $0.45 per common share and expires 3 years after closing. The warrants are subject to an acceleration clause that allows the Company to accelerate the expiry date of the warrants in the event that the volume weighted average trading price of the common shares on the Canadian Securities Exchange exceeds $1.00 for 10 consecutive trading days.

On March 5, 2021, the Company completed a non-brokered private placement through issuance of 4,000,000 units at $0.05 per unit for gross proceeds of $200,000. Each unit is comprised of one common share of the Company and one share purchase warrant exercisable at $0.15 per common share until March 5, 2023.

On October 22, 2021, the Company completed a private placement through issuance of 4,031,700 units at $0.55 per unit for gross proceeds of $2,217,435. Each unit is comprised of one common share of the Company and one share purchase warrant exercisable at $0.80 per common share until October 22, 2023. In connection with the private placement, the Company incurred share issuance costs of $120,124 and issued 291,136 finder's warrants exercisable at $0.55 per common share until October 22, 2023. The share purchase warrants are subject to an acceleration clause that allows the Company to accelerate the expiry date of the share purchase warrants in the event

that the volume weighted average trading price of the common shares on the Canadian Securities Exchange exceeds $2.00 for 10 consecutive trading days.

Cash flows from investing activities

Cash outflows from investing activities reflect cash used to purchase computer hardware and lab equipment.

Cash flows used in operations

Cash flows used in operations primarily reflect the net loss and comprehensive loss discussed above, adjusted for non-cash items, primarily the add back of: stock-based compensation of **$702,329; amortization of $43,834**; and non-cash changes in working capital.

5 Going Concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

The ability of the Company to continue as a going concern is dependent on its ability to generate future cash flows from operations and obtain additional financing. As at January 31, 2022, the Company had working capital of **$908,921**, had not yet achieved profitable operations and had accumulated deficit of **$5,569,066** since its inception and will require additional funding to maintain its operations. These conditions indicate the existence of a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern.

The consolidated financial statements do not give effect to any adjustments, which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements. These adjustments could be material.

6 Long-Term Obligations and Other Contractual Commitments

Contractual Commitments

On August 10, 2020, as amended on November 24, 2020, the Company entered into a development agreement with Canada's Digital Technology Supercluster ("CDTS") to develop a pathogen screening platform utilizing the Company's proprietary biosensors and a digital risk assurance platform. The project was completed on November 30, 2021 and under the agreement, the Company committed to certain deliverables at an estimated cost of $749,518, with the Company responsible for $368,613 and CDTS to reimburse for the remaining $380,905 (total received net of program fees $357,534). From the period of incorporation on May 6, 2020 to January 31, 2021, the Company recognized $143,353 of grant funding related to this project and for the year ended January 31, 2022, the Company recognized the remaining $214,181.

The Company has entered into a lease agreement with EcoMine, the majority shareholder of the Company, with respect to its office premise in Vancouver, British Columbia. The lease commenced on September 1, 2020, with monthly lease payments of $5,516 until August 31, 2022. To offset the cost of the lease, the Company entered into a sublease agreement with a third party with respect to its office premise in Vancouver, British Columbia. The lease commenced on September 1, 2020, with monthly lease payments of $1,500 until August 31, 2022.

7 Transactions with Related Parties

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the year and period ended January 31, 2022 and 2021, the Company entered into the following transactions with related parties:

- Paid or accrued contractor fees of $240,625 (2021 - $6,563) and received subscription fees of $4,182 (2021 - $nil) to a company controlled by the Chief Executive Officer ("CEO") and director of the Company.
- Paid or accrued professional fees of $28,412 (2021 - $6,095) to a company controlled by the Chief Financial Officer ("CFO") of the Company and recognized share-based compensation of $39,168 (2021 - $nil) in relation to stock options granted to the CFO.
- Paid or accrued salaries and benefits of $179,981 (2021 - $40,298) to the Chief Technology Officer ("CTO") and director of the Company and recognized share-based compensation of $13,537 (2021 - $nil) in relation to stock options granted to the CTO and director.
- Recognized share-based compensation of $119,319 (2021 - $nil) in relation to stock options granted to directors of the Company.

As at January 31, 2022, $55,188 (January 31, 2021 - $6,749 in accrued liabilities) was included in accounts payable owing to the company controlled by the CEO and director of the Company in relation to advisory fees.

As at January 31, 2022, $1,050 (January 31, 2021 - $nil) was included in receivables due from the company controlled by the CEO and director of the Company in relation to subscription fees.

As at January 31, 2022, $5,705 (January 31, 2021 - $6,095) was included in accounts payable owing to the company controlled by the CFO of the Company in relation to professional fees.

As at January 31, 2022, $22,221 (January 31, 2021 - $nil) was included in receivables due from EcoMine, a majority shareholder of the Company.

8 Off Balance Sheet Arrangements

The Company has no material undisclosed off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our results of operations or financial condition.

9 Critical Accounting Estimates and Judgments

The preparation of financial statements in compliance with IFRS requires the Company's management to make certain estimates and assumptions that they consider reasonable and realistic. Despite regular reviews of these estimates and assumptions, based in particular on past achievements or anticipations, facts and circumstances may lead to changes in these estimates and assumptions which could impact the reported amount of the Company's assets, liabilities, income and expenses. Actual results may differ from those estimates.

Significant judgements

Reverse takeover - Judgement is required when assessing the value of the consideration transferred and the net identifiable assets acquired and liabilities assumed in connection with the reverse takeover.

Coronavirus ("COVID-19") - In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its future potential effect on the Company's business or ability to raise funds.

Significant estimates

Stock-based compensation - The Company generally utilizes the Black-Scholes option pricing model to determine the fair values of the stock-based payments and warrants issued in unit offerings. The Company uses significant estimate in the evaluation of the input variables in the Black-Scholes calculation which includes: risk free interest rate, expected stock price volatility, expected life and expected dividend yield.

10 Financial Instruments and Financial Risk Management

Fair value

Financial instrument disclosures establish a fair value hierarchy that requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Company primarily applies the market approach for recurring fair value measurements. This section describes three input levels that may be used to measure fair value:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide information on an ongoing basis. The Company does not have any financial instruments in this category.

Level 2 – quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying values of cash, restricted cash, receivables, deposits, accounts payable and accrued liabilities, and subscription receipts liability approximate their fair values due to their short-term maturity. The carrying values of net investment in sublease and lease liabilities approximate their fair values due to being discounted with a rate of interest that approximates market rates.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or valuation of its financial instruments.

a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's foreign exchange risk is not considered significant.

b) Interest rate risk

The Company has cash balances and no interest-bearing debt. The interest rate risk on cash is not considered significant.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet cash flow requirements associated with financial instruments. As indicated in Note 1, a material uncertainty exists that may cast significant doubt regarding the Company's ability to continue as a going concern.

The Company continues to manage its liquidity risk by monitoring its cash flows regularly, comparing actual results with budgets and future cash requirements.

The following table summarizes the relative maturities of the financial liabilities of the Company:

	Maturity less than one year	Maturity greater than one year
	$	$
Accounts payable and accrued liabilities	429,839	-
Lease liability	40,651	5,427
Total	470,490	5,427

Credit risk

Credit risk arises from cash deposited in banks and financial institutions. The Company has established guidelines relative to diversification, credit ratings and maturities that maintain safety and liquidity. These guidelines are periodically reviewed by the Company's Board of Directors and modified to reflect changes in market conditions.

The Company limits its exposure to credit risk, with respect to cash, by placing them with high quality credit financial institutions.

11 Risks and Uncertainties

The primary risk factors affecting the Company are set forth in our Non-offering Prospectus and Annual Information Form. A copy of our Non-offering Prospectus is available on SEDAR at www.sedar.com.

12 Outstanding Share Capital

As at the date of this MD&A, the Company had the following common shares, warrants and stock options outstanding:

Common shares

There were 55,602,992 common shares issued and outstanding.

Warrants

Number of Warrants	Exercise Price	Expiry Date
2,000,001	$0.15	December 31, 2022*
4,000,000	$0.15	March 5, 2023
3,882,562	$0.45	July 16, 2024*
2,015,850	$0.80	October 22, 2023**
291,136	$0.55	October 22, 2023**
12,189,549		

* The share purchase warrants are subject to an acceleration clause that allows the Company to accelerate the expiry date of the share purchase warrants in the event that the volume weighted average trading price of the common shares on the Canadian Securities Exchange exceeds $1.00 for 10 consecutive trading days.

** The share purchase warrants are subject to an acceleration clause that allows the Company to accelerate the expiry date of the share purchase warrants in the event that the volume weighted average trading price of the common shares on the Canadian Securities Exchange exceeds $2.00 for 10 consecutive trading days.

Stock options

Exercise Price $	Number Outstanding	Number Exercisable	Expiry Date
0.30	1,850,000	1,500,000	February 19, 2031
0.30	250,000	250,000	April 1, 2024
0.45	550,000	-	September 10, 2026
0.45	200,000	100,000	September 10, 2026
0.45	200,000	100,000	September 14, 2026
0.45	100,000	50,000	November 17, 2026
0.45	500,000	83,333	March 9, 2027
	3,650,000	2,083,333	

13 Additional Information

Additional information about the Company, including the Annual Information Form, is available on SEDAR at www.sedar.com.