



nDatalyze Corp.
(formerly MedXtractor Corp.)
Management Discussion and Analysis
For the nine months ended November 30, 2022

This management's discussion and analysis ("**MD&A**") of **nDatalyze Corp.** (the "Company" or the "Corporation" or "nDatalyze") contains an analysis of the Company's operational and financial results for the nine months ended November 30, 2022. This MD&A has been prepared by management as of January 26, 2023 and has been approved by the Company's Board of Directors. This MD&A should be read in conjunction with the Company's unaudited consolidated condensed financial statements for the nine months ended November 30, 2022 and the audited consolidated financial statements and related notes for the year ended February 28, 2022 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Additional information about nDatalyze is available on the Company's website (www.ndatalyze.com)

The Company's first public trading date was October 24, 2019, listed on the Canadian Securities Exchange (CSE:NDAT) (OTC:NDATF). The consolidated financial statements include the accounts of nDatalyze Corp. and its wholly-owned subsidiary, 2273670 Alberta Ltd.

All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise. The Company's most recent filings are available under the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and can be accessed through the internet at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains "forward-looking information" within the meaning of Canadian securities legislation concerning the business, operations and financial performance and condition of the Company. Statements containing forward-looking information include, but are not limited to, statements with respect to anticipated developments in the Company's operations in future periods; planned activities; the adequacy of the Company's financial resources and other events or conditions that may occur in the future; the ability of the Company to create value for its shareholders; the ability of the Company to meet expected financing requirements. Generally, statements containing forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". Statements containing forward-looking information are based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such statements, including but not limited to risks related to: current global financial conditions; the need for additional financing and its availability on acceptable terms; the speculative nature of the cannabis industry; the ability to satisfy the financial needs required to maintain the Company's status as a going concern; the early stage of the Company's operations; the Company's need to rely on technical experts, which may not be available; future dilution to existing shareholders; certain uninsured or uninsurable risks; adverse effects on share prices from factors beyond the Company's control; as well as other factors discussed herein. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those expected in statements containing forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information that is included herein, except in accordance with applicable securities laws.

The Business

nDatalyze Corp. generates technology-based, health-related solutions. Its machine-learning processed, online consumer mental health application known as "YMI" is based on the Corporation's proprietary Reference Database consisting of >1200 biometric records complete with associated electroencephalogram ("EEG") data.

YMI Division



is available now at <https://ymihealth.ca/>

The Company recently announced the Canada-wide release of YMI, a comprehensive new breakthrough mental health tool, in its mission to help the public gain a better understanding of their mental health, and in the process, help alleviate the massive strain currently placed on mental health system resources.

Created by doctors, psychotherapists, data scientists and other experts, YMI was designed to address one of the biggest problems currently facing the mental health system: Access to clinical resources.

The predictive survey generates a population normal baseline and uses supervised artificial intelligence to generate insights on the degree of how individuals' genetic expressions, childhood and life experiences affect their mental wellbeing. It then provides resources to connect with qualified experts for treatment.

YMI is designed to provide an advanced digital, objective, quantifiable tool for predictive mental health screening for the public and psychotherapists alike. YMI uses a holistic, evidence-based, objective data from whole life experiences to predict why you are who you are, and applies this knowledge towards a fuller understanding of how to improve your mental wellbeing.

After registering at ymihealth (<https://ymihealth.ca>) users are given access to a private, in-depth survey that applies artificial intelligence using a person's genetic expressions, childhood environment, habits, phobias, lived experiences and lifestyle. Upon completion of the survey, YMI generates a personalized graphic report predicting a person's predisposition for seven mental conditions including anxiety, depression, post-traumatic stress disorder, obsessive compulsive disorder, alcoholism, and personality disorders both current and forward in time. The downloadable report may be used for reference as the user considers changes to their lifestyle that may help improve their mental wellbeing and mental health journey.

The service also helps connect users with therapists who are prepared to help with next steps, providing further clarity and treatment as required. The YMI digital tool combines a whole-life approach with artificial intelligence to establish mental health normative data. These norms allow fast, unbiased and consistent prediction of the underlying causes of mental conditions, their severity and how the severity might change with age.

As part of the launch, YMI is offered at a reduced introductory price of \$99.00, including one user profile, five survey credits and a full year's access to reports.

CO2 and Alcohol Extractors (MedXtractor division)

The Company plans a wind-down or otherwise dispose of the extractor operations, which is believed necessary to clarify the Company's future direction.

With installations worldwide, its MedXtractor division manufactures and sells small-scale bio extractors that are used to extract compounds from a variety of botanical biomasses. The Company's technology allows for the extraction of essential oils and other compounds from a variety of botanical feedstock using carbon dioxide ("CO2") or alcohol as the extraction solvent. The Company's technologies are 100% owned by the Company and there are no royalties or payments of any kind payable to any party anywhere in the world.

Corporate Developments, Business Initiative

YMI Marketing Development

The Company's marketing contractor, BelieveCo (formerly VenturePlay), has provided a full update on the first of three phases for the YMI marketing campaign (the "Campaign").

As expected, Phase One (Alberta-only) data revealed some indicated user experience changes, that have been incorporated over the past few weeks. Phase Two has now begun and includes a Canada-wide release enhanced user tracking, influencer contracts, social media boosts, and increased digital advertising spend. All three phases are expected to be completed prior to the Corporation's fiscal year end of February 28, 2023.

The Company engaged BelieveCo to introduce YMI to the consumer mobile health ("mHealth") market involving a new user experience ("UX"), public relations, Social Media aspects including common platforms, influencers, brand ambassador(s)/spokesperson(s), print and electronic media, and overall marketing management. We have been working with BelieveCo for many months and are highly confident in the success of the plan developed for YMI.

Proof-of-Concept Reference Database – During the year ended February 28, 2022, nDatalyze completed data collection at >1,250 records, each with EEG data and covering four age groups and two genders. This level and consistency of coverage provides for calculation of baselines that are a foundation of NDAT's predictive probability analysis. In addition to baseline calculations, the Reference Database includes hundreds of doctor-diagnosed mental conditions from numerous third-party clinicians that may be used to help calibrate the Corporation's YMI consumer mental health application.

nDatalyze has successfully tested a proof-of-concept for its base algorithms related to mental condition prediction. These complex algorithms used Machine-Learning ("ML") to correlate clinician-guided scoring, doctor-diagnosed mental conditions, and biometric/EEG data to predict the probability of seven mental Conditions. These predictions will ultimately be used to populate the online consumer YMI predicted mHealth charts.

YMI Mental Health Diagnostic Tool

YMI - our consumer mHealth application consists of the Reference Database, proprietary scoring algorithms, the back-end, cloud-based, SQL and machine-learning ("ML") platform, the front-end graphical user interface, and the graphic reports. Initial predictive testing has been encouraging and the beta system is expected to be open for pre-full release registration during calendar Q3, 2022.

YMI mental health diagnostic tool is now capable of predicting current and "time forward" probabilities of seven mental conditions. The Conditions include Anxiety, Depression, OCD, PTSD, BiPolar, Alcoholism and Personality disorders. YMI is modeled as a machine-human hybrid "mind" designed to assist and accelerate mental health diagnosis using a foundation of objective, evidence-based data rather than traditional subjective "self-reported" data.

YMI's overall objectives are to lower misdiagnosis rates, accelerate mental condition diagnosis, lower diagnosis costs and lessen the load on the overall mental health system.

During the past year the following has been achieved:

1. Established a data collection centre to gather over 1,200 biometric records, complete with "same-time-of day" electroencephalogram ("EEG") data. These records comprise the Corporation's Reference Database that forms the "memories" of the YMI human-machine predictive mental health "mind". With the data collection completed the collection centre is now closed;
2. Development and testing of clinician-guided formulas and algorithms that provide supervision to YMI's predictive machine-learning processing engine;
3. Development of a consumer-friendly front-end input website and "easy-read" back-end reports;
4. Contracted an experienced product marketing team to develop and refine a comprehensive marketing plan targeting the fast-growing consumer "mHealth" market. The mHealth market consists of products like FitBit, Apple watches, heart and blood monitors, DNA tests and tele-health applications;
5. Tight cash management approach to software development. In management's opinion, advanced products like YMI typically take much longer and cost far more to build.

US-based Investor Relations Firm - The Company has engaged New York-based RB Milestone Group LLC ("RBMG") to expand the Company's investor visibility.

The Company has a US OTCQB quotation in order to facilitate trading in our shares by US investors and with the RBMG engagement we are pro-actively acting to expand investor exposure to a wider audience within the investment community in advance of our planned product release.

The Engagement includes RBMG providing the Company investor relations and corporate communications advisory services for an initial term of twelve months ending March 31, 2023.

CO2 and Alcohol Extractors (MedXtractor division)

Covid-19 - In March 2020 there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

We have experienced reduced customer inquiries and demand, supply chain disruptions, and increased government regulations, all of which have negatively impacted the Company's business and tempered our sales growth curve.

US Federal Legalization - with greater than 50% of our extractor sales being to the U.S., the lack of US Federal legalization for cannabis-related operations causes significant obstacles for our Company. These obstacles include border delays, lack of credit/debit card acceptance, and lack of ability to use any cannabis-related keywords on the major online marketing platforms. The combined result is a significant reduction in sales and we do not expect a pickup in sales until these obstacles are removed by US Federal legalization.

Operating Performance and Outlook

Selected Information

For the nine months ended November 30, 2022, the Company had a net loss of \$ 736,289 (nine months ended November 30, 2021 net loss \$206,325) and cash flows used by operating activities of \$785,235 (nine months ended November 30, 2021 cash flows used in operating activities - \$230,834). YMI development costs transition to significant increases expected in YMI-related marketing and advertising costs over the next calendar year and beyond.

Results of Operations

The following table sets forth detailed financial information of the Company.

	3 Months Ended November 30, 2022	3 Months Ended November 30, 2021	9 Months Ended November 30, 2022	9 Months Ended November 30, 2021
Revenues				
Sales (Note 12)	\$ 37,510	\$ 99,495	\$ 134,529	\$ 356,453
Cost of Sales	17,825	43,699	72,042	164,891
Gross margin	\$ 19,685	\$ 55,796	\$ 62,487	\$ 191,562
Expenses				
Depreciation and amortization	\$ 598	\$ 415	\$ 1,732	\$ 1,168
Inventory impairment (Note 5)	40,000	-	40,000	-
Advertising and promotion	82,367	9,289	177,646	29,408
Warranty	-	359	972	1,937
Interest and bank charges	372	(366)	1,885	4,271
Contractors	21,870	17,500	47,870	49,500
Legal, audit, and professional	11,860	7,992	39,341	60,912
Travel, meals and entertainment	2,061	2,909	12,323	5,954
Research and development	16,466	(20)	225,011	2,443
Insurance	1,784	-	5,366	4,149
Investor relations	68,370	54,697	236,915	179,298
Office expenses	674	1,064	7,633	2,849
Accounting	3,000	1,800	7,000	5,400
Rent	2,100	2,800	6,300	6,990
Utilities	262	199	767	606
Stock based compensation	-	-	-	48,507
Total expenses	\$ 251,784	\$ 98,638	\$ 810,761	\$ 403,392
Other Income				
Foreign exchange gain (loss)	\$ -	\$ (278)	\$ 231	\$ 122
Interest Income	6,022	1,415	11,754	5,383
Total other income	\$ 6,022	\$ 1,137	\$ 11,985	\$ 5,505
Net operating loss and comprehensive loss	\$ (226,077)	\$ (41,705)	\$ (736,289)	\$ (206,325)

nDatalyze Corp.
(formerly MedXtractor Corp.)
Management Discussion and Analysis
For the nine months ended November 30, 2022

Year over year revenue decline was experienced as the result of the ongoing of the global outbreak of COVID-19 and lack of US Federal cannabis legalization. This Covid outbreak has caused reduced customer demand, and increased government regulations, all of which has and may negatively impact the Company's business and financial condition. Lack of US Federal cannabis legalization is also expected to continue to dampen revenues going forward.

Inventory impairment – the Company recognized a \$40,000 inventory impairment associated with plans for a wind-down or otherwise dispose of the extractor operations, which is believed necessary to clarify the Company's future direction.

Research and development - During the nine months ended November 30, 2022, \$225,011 of research and development costs were incurred, largely marketing efforts with respect to YMI development.

Advertising and promotion – includes costs for website development, digital and print advertising and promotion.

Contractors – includes costs for product manufacturing, inventory control and operations.

Investor relations – During the nine months ended November 30, 2022 the Company increased efforts to increase potential investor awareness and the Company has recently achieved a US OTCQB quotation in order to facilitate trading in our shares by US investors.

Summary of Quarterly Results

	Nov 30, 2022	Aug 31, 2022	May 31, 2022	Feb. 28, 2022	Nov. 30, 2021	Aug 31, 2021	May 31, 2021
	\$	\$	\$	\$	\$	\$	\$
Revenue	37,510	34,294	62,725	68,475	99,495	127,750	129,208
Cost of Sales	17,825	21,480	32,737	30,060	43,699	57,109	64,083
Gross Profit	19,685	12,814	29,988	38,415	55,796	70,641	65,125
Expenses (cash)	211,186	261,088	296,755	1,006,049	98,223	118,750	136,744
Expenses (non-cash)	40,598	671	463	717	415	48,919	341
Other income	6,022	4,246	1,717	1,195	1,137	3,752	616
Income (loss)	(226,077)	(244,699)	(265,513)	(967,156)	(41,705)	(93,276)	(71,344)
Net loss per share	(0.00)	(0.01)	(0.01)	(0.03)	(0.00)	(0.00)	(0.00)
Total assets	1,081,010	1,304,303	1,571,525	1,710,721	2,365,579	2,403,419	2,448,702
Total long term liabilities	-	-	-	-	-	-	-
Cash dividend per share	-	-	-	-	-	-	-
Shares outstanding	38,712,425	38,712,425	38,712,425	37,921,425	36,921,425	36,921,425	27,846,425

Liquidity and Capital Resources

At November 30, 2022, the Company had working capital of \$1,046,054

The Company's objective when managing capital is to maintain the confidence of shareholders and investors in the implementation of its business plans by maintaining sufficient levels of liquidity to fund and support its development as well as other corporate activities. The Company's capital historically has been derived from the issuance of equity. Management monitors its financial position on an ongoing basis.

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

The Company is authorized to issue an unlimited number of common shares without par value.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Changes in Accounting Policies

None

Financial Instruments

The Company, as part of its operations, carries financial instruments consisting of cash, accounts receivable, and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments.

Other MD&A Requirements

Outstanding Share Data

The Company's authorized share capital consists of an unlimited number of common shares without par value.

Equity instruments issued and outstanding:

	January 26, 2023	November 30, 2022	February 28, 2022
Common shares	38,712,425	38,712,425	37,921,425
Warrants and Finders Warrants	1,571,380	1,571,380	10,633,000
Stock Options	3,150,000	3,150,000	3,150,000
Fully Diluted	43,433,805	43,433,805	51,704,425

Proposed Transactions

None

Subsequent Events

None

Risk Factors

Industry Risks

The development of the YMI mental health diagnostic tool and Company's Reference Database is relatively recent corporate initiative and while in its early development stage has yet to achieve revenues and commercial application. The Reference Database represents for the Company new biomedical research, data collection and analysis. Commercialization of such biomedical research has its inherent risk factors. There can be no assurance that YMI will generate future revenues and Company profits.

Our success may be dependent on foreign markets

Foreign and ancillary markets are expected to generate the majority of our revenues. Neither foreign nor ancillary markets provide a guarantee of revenue.

The Company's Risks

We have a limited history of operations and unless we are able to successfully execute our business plan, our business and operating results will suffer resulting in the complete failure of our business

Our operations are subject to all of the risks inherent in the establishment of a new business. The likelihood of our success must be considered in light of the risks, problems, expenses and delays frequently encountered in connection with the formation of a new business in general, as well as the highly competitive environment in which the business is operating. To address these risks, we must, among other things, continue to respond to competitive developments, product failure causing personal injury and property damage, attract, retain and motivate qualified personnel, commercialize products, and implement and successfully execute our marketing strategy and advertising sales strategy. There can be no assurance that we will be successful in addressing such risks.

We will incur increased costs and demands upon management as a result of complying with the laws and regulations affecting public companies, which could harm our operating results

As a public company, we incur significant additional legal, accounting and other expenses that we did not incur as a private company, including costs associated with public company reporting requirements. We expect these rules and regulations to substantially increase our legal and financial compliance costs and to make some activities more time-consuming and costly.

We are currently dependent on our officers and directors for our success and our future operations may require that we can attract and retain qualified employees, which we may not be able to do

Our current operations are managed by our officers and directors, should our officers and directors resign, we would have no personnel to undertake the operations of the Company and therefore the Company would be adversely affected. We have no key-person insurance policy for our President or any other Officers and/or Directors and at this time we have no intention of acquiring same. Our future operations may depend, in part, on our ability to attract, employ and retain additional qualified employees. No assurance can be given that we will be able to attract or retain such personnel, if required.

We will rely on consultants and employees and if we are unable to retain these or other similarly qualified individuals, we may not be able to carry out our business operations

We expect to be dependent upon contract service providers and loss of their services could adversely affect our business and our ability to maintain our operations or develop new products. We have not entered into any employment or non-competition agreements with any individuals and do not plan to in the future. Our success will depend on our ability to attract and retain qualified personnel. If we cannot attract and retain the necessary individuals our operating results will suffer.

Insufficient Capital

The Company currently has revenue producing operations but may, from time to time, report a working capital deficit. To maintain its activities, the Company may require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Company will be successful in obtaining such additional financing; failure to do so could result in failure of the Company and total loss of your investment.

Financing Risks

The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since its Company and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its equity shares and there is no assurance that any such funds will be available on terms acceptable to the Company, or at all. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Foreign Currency Risk

Foreign currency fluctuations may affect the cash flow which the Company may realize from its operations, since most of its product sales are expected to occur in US dollars whereas the Company's costs are incurred primarily in Canadian dollars.

Conflicts of Interest

Certain of the directors and officers of the Company are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA. To the Company's knowledge, as at the date hereof there are no existing or potential material conflicts of interest between the Company and a director or officer of the Company except as otherwise disclosed herein.

Insurance

Directors and Officers (D&O) liability insurance policy expired in April 2022 and the Company currently has no D&O insurance.

Additional Information

Additional information regarding the Company and its business and operations is available on the Company's profile at www.sedar.com and on the Company's website at www.ndatalyze.com.

Corporate Information

BOARD OF DIRECTORS:

James Durward
G. Steven Price ⁽¹⁾
Dusan Kuzma ⁽¹⁾
Gordon Crawford ⁽¹⁾

1) Member of Audit Committee

OFFICERS:

James Durward - President, Chief Executive Officer, Corporate Secretary
Dwayne A. Vinck - Chief Financial Officer

STOCK EXCHANGE LISTING:

CSE:NDAT
OTCQB:NDATF

AUDITORS:

MNP LLP
Calgary, Alberta

LEGAL COUNSEL:

Heighington Law
Calgary, Alberta

REGISTRAR AND TRANSFER AGENT:

TSX Trust Company,
Calgary, Alberta