ASEP MEDICAL INC.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2021

(expressed in Canadian dollars)

Dated: November 29, 2021

ASEP MEDICAL INC.

Interim Management's Discussion and Analysis

For the three months and nine months ended September 30, 2021 and the period August 12, 2020 (date of incorporation) to September 30, 2020

INTRODUCTION

The following Management's Discussion and Analysis ("**MD&A**") is prepared and provides a review of the performance of ASEP Medical Inc. ("**ASEP**" or the "**Company**"). This MD&A should be read in conjunction with the Company's auditor reviewed interim financial statements for the three months and nine months ended September 30, 2021 and related notes included therein (the "**Financial Statements**"). The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are expressed in Canadian dollars unless stated otherwise. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements.

Throughout this MD&A, "we", "us", "our", "Company" and "ASEP" refer to the operations of ASEP. This MD&A provides information that the management of the Company believes is important to assess and understand the results of operations and financial conditions of the Company.

This MD&A is dated November 29, 2021, and is current to this date. The MD&A and the Financial Statements were approved and authorized for issuance by the Board of Directors.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by, or that include the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectation, estimate and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, risks associated with: limited operational history; inability to generate earnings or pay dividends for the foreseeable future; no current assets other than cash; uncertain ability to raise additional funds when required; lack of liquidity for shareholders of the Company; legislative or regulatory reform and compliance; competition; retention and acquisition of skilled personnel; access to capital; ability to exercise the ABT Option (as defined below) and the Sepset Option (as defined below); research and development; results from clinical trials; and receipt of regulatory approvals. See "Risks and Uncertainties".

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated. The reader is cautioned not to place undue reliance on any forward-looking statements contained in this MD&A. Such forward-looking statements are presented for the purpose of assisting investors in understanding the Company's expected financial and operating performance and the Company's plans and objectives in making an investment decision and may not be appropriate for other purposes. All forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The Company disclaims any obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements, or to reflect the occurrence of anticipated or unanticipated events, except as required by applicable laws.

COMPANY OVERVIEW

ASEP was incorporated on August 12, 2020 pursuant to the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") under the name "1261038 B.C. Ltd.". On April 20, 2021, ASEP filed a notice of alteration changing its name from "1261038 B.C. Ltd." to "ASEP Medical Inc.". ASEP's head office is located at Suite 420 – 730 View Street, Victoria, British Columbia, Canada, V8W 3Y7 and its registered and records office is located at Suite 200 – 931 Fort Street, Victoria, British Columbia, Canada, V8V 3K3.

As of the date of this MD&A, ASEP has no active business and was incorporated for the purposes of raising capital in order to facilitate the entry into and exercise of option agreements with ABT Innovations Inc. ("**ABT**") and Sepset Biosciences Inc. ("**Sepset**").

OVERALL PERFORMANCE

<u>ABT Innovations Inc. – Equity Interest and Agreements</u>

On May 14, 2021 (the "**ABT Effective Date**"), the Company entered into an option agreement (the "**ABT Option Agreement**") with ABT. Under the ABT Option Agreement, the Company has the option (the "**ABT Option**") to acquire 50.1% of the common shares of ABT (the "**ABT Shares**") in exchange for aggregate cash consideration of $2,500,000.

The Company agreed to subscribe for, and ABT agrees to issue, unsecured convertible notes of ABT (the "**ABT Notes**") in the aggregate principal amount of up to $2,500,000 in five equal tranches of $500,000 on or prior to each of the dates (the "**ABT Note Subscription Date**") set forth below: (a) $500,000 on the ABT Effective Date; (b) $500,000 on the four month anniversary of the ABT Effective Date; (c) $500,000 on the eight month anniversary of the ABT Effective Date; (d) $500,000 on the twelve month anniversary of the ABT Effective Date; and (e) $500,000 on the last Business Day prior to the sixteen month anniversary of the ABT Effective Date. Notwithstanding the foregoing, the Company is not obligated to subscribe for any ABT Notes where a ABT Note Subscription Date occurs after the exercise date of the ABT Option. The ABT Notes are unsecured, non-interest bearing and repayable on the Maturity Date, being the earlier of the Expiry Date, September 14, 2022 and the Breach Date, the date on which the ABT Option Agreement is breached due to the Company's failure to fund the ABT Notes on the ABT Note Subscription Dates.

The ABT Notes can be converted by the Company at any time up to the Maturity Date (as defined in the ABT Option Agreement) and will be automatically converted, subject to there not being an occurrence of an event of default, into such number of ABT Shares on the Maturity Date as determined in accordance with the ABT Automatic Conversion Calculation (as defined below), and the ABT Note(s) shall be terminated, and the total aggregate principal amount shall be automatically applied towards satisfaction of the Company's payment for such shares. The number of ABT Shares to be determined by ABT on the Expiry Date, Breach Date or Default Date, as applicable, is calculated by dividing (A) by (B), and then rounding the quotient of such equation down to the nearest whole number, where (A) is the product obtained by multiplying: (a) the aggregate number of ABT Shares that are issued and outstanding, as of the Expiry Date, Breach Date or Default Date, as applicable, on a fully diluted basis assuming conversion of all outstanding convertible securities of ABT other than the ABT Notes, with (b) the product obtained by 10.02 multiplied by the number of ABT Notes outstanding as of the Expiry Date, Breach Date, or Default Date, as applicable, and where (B) is the product obtained by subtracting: (c) the product obtained by 10.02 multiplied by the number of ABT Notes outstanding as of the Expiry Date, Breach Date, or Default Date, as applicable, from (d) 100 (the "**ABT Automatic Conversion Calculation**").

On May 14, 2021, the Company subscribed for and paid for the $500,000 note referred to in (a) above. On September 14, 2021, the Company subscribed for the $500,000 note referred to in (b) above by issuing a demand promissory note. On November 10, 2021, the Company exercised the ABT Option to acquire 50.1% of the common shares of the ABT, on a fully diluted basis, in exchange for aggregate cash consideration of $2,500,000. On November 12, 2021, the Company paid $2,000,000 representing payment for the $500,000 demand promissory note issued for the second unsecured convertible note and $1,500,000 for payment of the remaining $2,500,000 exercise price. In connection with the option exercise and full payment of $2,500,000 received, the Company received 2,032,861 ABT shares, representing a 50.1% fully diluted equity interest in the Company.

In addition, pursuant to the terms of the ABT Option Agreement, all of the shareholders of ABT (excluding the University of British Columbia ("**UBC**")) granted the Company, subject to the exercise of the ABT Option, an option (the "**ABT Additional Option**") to acquire the remaining 49.9% equity interest in the capital of ABT from each of the shareholders of ABT (less the equity interest held by each of the Company and UBC), resulting in the Company holding a 100% equity interest in the capital of ABT after exercise of the ABT Additional Option and the UBC Option (as defined below). The Company may exercise the ABT Additional Option at any time prior to the third anniversary of the exercise by the Company of the ABT Option upon payment of an aggregate $20,000,000 (the "**ABT Additional Option Exercise Price**"), less the amount payable to UBC pursuant to the UBC Option Agreement (as defined below), payable pro rata to each of the shareholders of ABT (excluding the Company and UBC). The ABT Additional Option Exercise Price is payable as follows:

a. if the Company's shares (including any shares of any assignee of the Company, including, without limitation, TLS (as defined below) upon completion of the transactions contemplated in the Amalgamation Agreement) are listed on a recognized stock exchange, the ABT Additional Option Exercise Price, less the amount payable to UBC pursuant to the UBC Option Agreement, shall be payable to the shareholders of ABT (excluding the Company and UBC), on a pro rata basis: (A) in cash, as to an aggregate minimum of $5,000,000; and (B) in shares of the Company (or its assignees) as to the balance of the ABT Additional Option Exercise Price remaining after deduction of the cash portion advance under part (A), with such shares to be issued based on the 20-day volume-weighted average trading price of the Company (or its assignees) ending on the trading day preceding the date on which the Company provides notice to ABT that it is exercising the ABT Additional Option; or

b. if the Company's shares are not listed on a recognized stock exchange, the ABT Additional Option Exercise Price shall be payable in cash, on a pro rata basis, as to the full $20,000,000, less the amount payable to UBC pursuant to the UBC Option Agreement.

Agreement with ABT Innovations Inc. and University of British Columbia

Concurrently with the entering into of the ABT Option Agreement, the Company, ABT and UBC entered into an option agreement (the "**UBC Option Agreement**") dated May 14, 2021, pursuant to which UBC granted the Company an option (the "**UBC Option**") to purchase all of the shares held by UBC in the capital of ABT in exchange for payment by the Company of UBC's pro rata interest of the ABT Additional Option Exercise Price. The UBC Option is conditional upon the Company exercising the ABT Additional Option and the license agreement between ABT and UBC dated April 25, 2017 being in good standing. Payment of UBC's pro rata portion of the ABT Additional Exercise Price shall be in the same manner as the Company's payment of the ABT Additional Option Exercise Price to the remaining shareholders of ABT pursuant to the terms of the ABT Option Agreement.

Sepset Biosciences Inc. – Equity Interest and Agreements

On May 14, 2021 (the "**Sepset Effective Date**"), the Company entered into an option agreement (the "**Sepset Option Agreement**") with Sepset. Under Sepset Option Agreement, the Company has the option (the "**Sepset Option**") to acquire 50.1% of the common shares of Sepset (the "**Sepset Shares**") in exchange for aggregate cash consideration of $2,500,000.

The Company agrees to subscribe for, and Sepset agrees to issue, unsecured convertible notes of the Sepset (the "**Sepset Notes**") in the aggregate principal amount of up to $2,500,000 in five equal tranches of $500,000 on or prior to each of the dates (the "**Sepset Note Subscription Date**") set forth below: (a) $500,000 on the Sepset Effective Date; (b) $500,000 on the four month anniversary of the Sepset Effective Date; (c) $500,000 on the eight month anniversary of the Sepset Effective Date; (d) $500,000 on the twelve month anniversary of the Sepset Effective Date; and (e) $500,000 on the last Business Day prior to the sixteen month anniversary of the Sepset Effective Date. Notwithstanding the foregoing, the Company is not obligated to subscribe for any Sepset Notes where a Sepset Note Subscription Date occurs after the exercise date of the Sepset Option. The Sepset Notes are unsecured, non-interest bearing and repayable on the Maturity Date, being the earlier of the Expiry Date, September 14, 2022 and the Breach Date, the date on which the Sepset Option Agreement is breached due to the Company's failure to fund the Sepset Notes on the Sepset Note Subscription Dates.

The Sepset Notes can be converted by the Company at any time up to the Maturity Date (as defined in the Sepset Option Agreement) and will be automatically converted, subject to there not being an occurrence of an event of default, into such number of shares on the Maturity Date as determined in accordance with the Sepset Automatic Conversion Calculation (as defined below), and the Sepset Note(s) shall be terminated, and the total aggregate principal amount shall be automatically applied towards satisfaction of the Company's payment for such shares. The number of Sepset Shares to be determined by Sepset on the Expiry Date, Breach Date or Default Date, as applicable, is calculated by dividing (A) by (B), and then rounding the quotient of such equation down to the nearest whole number, where (A) is the product obtained by multiplying: (a) the aggregate number of Sepset Shares that are issued and outstanding, as of the Expiry Date, Breach Date or Default Date, as applicable, on a fully diluted basis assuming conversion of all outstanding convertible securities of the Sepset other than the Sepset Notes, with (b) the product obtained by 10.02 multiplied by the number of Sepset Notes outstanding as of the Expiry Date, Breach Date, or Default Date, as applicable, and where (B) is the product obtained by subtracting: (c) the product obtained by 10.02 multiplied by the number of Sepset Notes outstanding as of the Expiry Date, Breach Date, or Default Date, as applicable, from (d) 100 (the "**Sepset Automatic Conversion Calculation").**

On May 14, 2021, the Company subscribed for and paid for the $500,000 note referred to in (a) above. On September 14, 2021, the Company subscribed for the $500,000 note referred to in (b) above by issuing a demand promissory note. On November 10, 2021, the Company exercised the Sepset Option to acquire 50.1% of the common shares of Sepset, on a fully diluted basis, in exchange for aggregate cash consideration of $2,500,000. On November 12, 2021, the Company paid $2,000,000 representing payment for the $500,000 demand promissory note issued for the second unsecured convertible note and $1,500,000 for payment of the remaining $2,500,000 exercise price. In connection with the option exercise and full payment of $2,500,000, the Company received 11,155,645 Sepset Shares, representing a 50.1% fully diluted equity interest in the Company.

In addition, pursuant to the terms of the Sepset Option Agreement, all of the shareholders of Sepset granted the Company, subject to the exercise of the Sepset Option, an option (the "**Sepset Additional Option**") to acquire the remaining 49.9% equity interest in the capital of Sepset from each of the shareholders of Sepset (excluding the Company), resulting in the Company, after exercise of the Sepset Additional Option, holding a 100% equity interest in the capital of Sepset. The Company may exercise the Sepset Additional Option at any time prior to the third anniversary of the exercise by the Company of the Sepset Option upon payment of an aggregate $20,000,000 (the "**Sepset Additional Option Exercise Price**") payable pro rata to each of the shareholders of Sepset (excluding the Company). The Sepset Additional Option Exercise Price is payable as follows:

a. if the Company's shares (including any shares of any assignee of the Company, including, without limitation, TLS upon completion of the transactions contemplated in the Amalgamation Agreement) are listed on a recognized stock exchange, the Sepset Additional Option Exercise Price shall be payable to the shareholders of Sepset (excluding the Company), on a pro rata basis: (A) in cash, as to an aggregate minimum of $5,000,000; and (B) in shares of the Company (or its assignees) as to the balance of the Sepset Additional Option Exercise Price remaining after deduction of the cash portion advance under part (A), with such shares to be issued based on the 20-day volume-weighted average trading price of the Company (or its assignees) ending on the trading day preceding the date on which the Company provides notice to Sepset that it is exercising the Sepset Additional Option; or

b. if the Company's shares are not listed on a recognized stock exchange, the Sepset Additional Option Exercise Price shall be payable in cash, on a pro rata basis, as to the full $20,000,000.

Amalgamation

On November 9, 2021, the amalgamation between the Company, Trenchant Life Sciences Investment Corp. and 1295277 B.C. Ltd. was completed, pursuant to the Amalgamation Agreement dated June 3, 2021, and as described in detail below.

On June 3, 2021, the Company entered into an amalgamation agreement (the "**Amalgamation Agreement**") between the Company, Trenchant Life Sciences Investment Corp. ("**TLS**") and 1295277 B.C. Ltd. ("**NewCo**"), a wholly owned subsidiary of TLS, pursuant to which TLS, the Company and NewCo agreed to combine their respective businesses by way of a three-cornered amalgamation under the provisions of the BCBCA. Pursuant to the terms of the Amalgamation Agreement, the holders of the ASEP A Shares would receive one (1) common share of TLS in exchange for each ASEP A Share held. The completion of the transactions contemplated under the Amalgamation Agreement subject to a number of conditions, including, but not limited to, the completion by TLS of a special warrant financing raising proceeds of at least $5,000,000, receipt of conditional approval from the Canadian Securities Exchange (the "**CSE**") for the listing of the shares of TLS for trading on the CSE, the receipt of all regulatory approvals and the exercise of the Sepset Option and the ABT Option. Upon completion of the transactions contemplated under the Amalgamation Agreement, the business of TLS and the Company will be the business of Sepset and ABT.

<u>Private Placement</u>

On various dates in January 2021, February 2021, June and July 2021, the Company conducted a non-brokered private placement of convertible debentures (the "**ASEP Debentures**") raising proceeds in the amount of $739,000. During the nine months ended September 30, 2021, the Company issued $704,000 in convertible debentures to unrelated parties of the Company (the "Convertible Debentures) and $35,000 in Convertible Debentures to related parties of the Company. During the period from November 27, 2020 to December 31, 2020, the Company issued $1,300,000 in Convertible Debentures to unrelated parties of the Company. The ASEP Debentures bear interest at a rate of 8% per annum payable at maturity, mature one year from the date of issuance and are secured by all of the property and undertaking of the Company. Pursuant to the terms of the ASEP Debentures, upon a liquidity event (the "**Liquidity Event**"), being the first to occur of: (a) an equity raise by the Company resulting in aggregate proceeds of no less than $5,000,000; or (b) the completion of a go public transaction and listing on a recognized stock exchange, the outstanding amount of the ASEP Debentures, including interest accrued thereunder, would automatically convert, in whole and without any further action by the holder of the ASEP Debenture into one (1) ASEP A Share at a conversion price equal to the lesser of (i) 75% of the offering price per share of the stock sold by the Company on the Liquidity Event, or (ii) the price equal to the quotient of $8,000,000 divided by the aggregate number of outstanding common shares of the Company on the Liquidity Event (assuming full conversion or exercise of all convertible and exercisable securities then outstanding other than the ASEP Debentures). The conversion price is subject to adjustment for stock splits, consolidations, dividends and similar events.

On various dates in May and June 2021, in connection with the completion of the transactions contemplated under the Amalgamation Agreement (as defined below), the holders of the ASEP Debentures agreed to amend the terms of the ASEP Debentures such that all principal payable under the ASEP Debentures would convert into ASEP A Shares on a certain date to be determined by the directors of the Company, calculated by dividing (A) by (B), where (A) is $8,000,000, and where (B) is the product obtained by adding (x) the number of ASEP A Shares that are issued and outstanding as of the date of the conversion on a fully diluted basis assuming conversion of all outstanding convertible securities of the Company other than the ASEP Debentures, with (y) the number of common shares issuable by TLS (as defined below) in connection with its non-brokered special warrant financing. All accrued interest payable in connection with the ASEP Debentures is to be paid in cash on the date of the conversion.

On November 9, 2021, the ASEP Debentures were converted into shares of the Company at a conversion price of $0.269074886904462. Upon the conversion, the Company paid out interest of $130,522 on the ASEP Debentures.

Human Resources

On March 1, 2021, the Company entered into an employment agreement with Dr. Fadia Saad, pursuant to which Dr. Saad agreed to provide certain management services to ASEP, including but not limited to acting as Chief Business Development Officer of ASEP. As consideration for the services to be provided by Dr. Saad, the Company agreed to pay a monthly fee of $15,000, less statutory deductions. Dr. Saad is also eligible for an annual performance bonus up to 20% of base salary determinable at the absolute discretion of the ASEP board. The employment agreement may be terminated: (a) at any time by Dr. Saad by giving a minimum of thirty (30) days written notice to ASEP; (b) without notice or payment in lieu of notice, for sufficient cause by ASEP at any time; or (c) at any time by ASEP without the requirement to show cause, provided ASEP pays Dr. Saad an amount equal to six (6) months' salary in the event of termination before the end of a 3-year period. Thereafter, severance will be additional to six (6) month's salary and commensurate to years of service and consistent with legislation as may be in effect at the time of termination.

On March 1, 2021, the Company entered into an employment agreement with Jennifer Gretchen, pursuant to which Ms. Gretchen agreed to provide certain management services to ASEP, including but not limited to acting as CFO of ASEP. As consideration for the services to be provided by Ms. Gretchen, the Company agreed to pay a monthly fee of $12,500, less statutory deductions. Ms. Gretchen is also eligible for an annual performance bonus up to 25% of base salary determinable at the absolute discretion of the ASEP board. The contractor agreement may be terminated: (a) at any time by Ms. Gretchen by giving a minimum of thirty (30) days written notice to ASEP; (b) without notice or payment in lieu of notice, for sufficient cause by ASEP at any time; or (c) at any time by ASEP without the requirement to show cause, provided ASEP pays Ms. Gretchen an amount equal to six (6) months' salary in the event of termination before the end of a 3-year period. Thereafter, severance will be additional to six (6) month's salary and commensurate to years of service and consistent with legislation as may be in effect at the time of termination.

On March 1, 2021, the Company entered into a consultancy agreement with RAM Advisors, Inc., pursuant to which RAM Advisors, Inc. agreed to provide, through its principal Rudy Mazzocchi, certain management services to ASEP, including but not limited to acting as CEO and Executive Chairman of ASEP. As consideration for the services to be provided by RAM Advisors, Inc., the Company agreed to pay a monthly fee of $20,000. RAM Advisors, Inc. is also eligible for an annual performance bonus up to 25% of base salary determinable at the absolute discretion of the ASEP board. The RAM Consulting Agreement may be terminated: (a) at any time by RAM Advisors, Inc. by giving a minimum of thirty (30) days written notice to ASEP; or (b)at any time by ASEP by giving a minimum of six (6) months written notice to RAM Advisors, Inc.

On April 1, 2021, the Company entered into a consulting agreement with Michael Graw, a director of the Company, pursuant to which Michael Graw agreed to provide certain management services to ASEP, including but not limited to, business, financing and operational services. The term of the agreement was for a period of three months. As consideration for the services to be provided by Michael Graw, the Company agreed to pay a month fee of $25,000.

On April 1, 2021, the Company entered into a consulting agreement with Burton Financial Inc., pursuant to which Burton Financial Inc. agreed to provide certain management services to ASEP, including but not limited to, business, financing and operational services. The term of the agreement was for a period of three months. As consideration for the services to be provided by Burton Financial Inc., the Company agreed to pay a month fee of $25,000. In addition, the Company agreed to pay Burton Financial Inc. a bonus fee equal to $150,000 in the event the Company completed a “Corporate Event”. Pursuant to the terms of the consulting agreement, a “Corporate Event” is defined to include: (i) a merger, amalgamation, consolidation, reorganization or arrangement of the Company with or into another corporation (other than a merger, amalgamation, consolidation, reorganization or arrangement of the Company with one or more of its subsidiaries), involving the Company and any other corporation or other entity or person in which the persons who were the shareholders of the Company immediately prior to such merger, amalgamation, reorganization, consolidation or other transaction own shares representing in the aggregate less than fifty percent (50%) of the votes attaching to the outstanding voting shares of the surviving or continuing entity after such merger, amalgamation, reorganization, consolidation or other transaction; (ii) the sale, exchange or transfer by the Company’s shareholders, in a single transaction or series of related transactions, of shares representing not less than a majority of the votes attaching to the outstanding voting shares of the Company; (iii) the sale, lease, license, abandonment, transfer or other disposition of all or substantially all the assets of the Company; or (iv) any other acquisition of the business of the Company as determined by the Board of Directors. The bonus fee is payable in cash upon closing of the Corporate Event.

On August 1, 2021, the Company entered into an employment agreement with Dr. Evan Haney, pursuant to which Dr. Haney agreed to provide certain management services to ASEP, including but not limited to acting as Chief Scientific Officer of ASEP. As consideration for the services to be provided by Dr. Haney, the Company agreed to pay an annual salary of $70,000, less statutory deductions. Dr. Haney is also eligible for an annual performance bonus up to 25% of base salary determinable at the absolute discretion of the ASEP board. The employment agreement may be terminated: (a) at any time by Dr. Haney by giving a minimum of thirty (30) days written notice to ASEP; (b) without notice or payment in lieu of notice, for sufficient cause by ASEP at any time; or (c) at any time by ASEP without the requirement to show cause, provided ASEP pays Dr. Haney an amount equal to six (6) months’ salary in the event of termination before the end of a 3-year period. Thereafter, severance will be additional to six (6) month’s salary and commensurate to years of service and consistent with legislation as may be in effect at the time of termination.

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information as at September 30, 2021 compared to December 31, 2020.

	As at September 30, 2021	**As at December 31, 2020**
Current Assets	401,973	1,304,729
Total Assets	2,433,060	1,304,729
Total Liabilities	3,381,190	1,343,581

The following table sets out selected financial information for the three-month and nine-month periods ended September 30, 2021 and for the period from August 12, 2020 (date of incorporation) to September 30, 2020.

	Three months ended September 30, 2021	**Nine months ended September 30, 2021**	**August 12, 2020 (date of incorporation) to September 30, 2020**
Total Revenue	$nil	$nil	$nil
Net loss and comprehensive loss	465,870	1,212,277	-
Basic and diluted loss per share	(0.03)	(0.13)	(0.00)
Weighted average number of shares outstanding	18,000,000	9,166,052	1
Dividends	$nil	$nil	$nil

DISCUSSION OF OPERATIONS

Consolidated Statement of Comprehensive Loss

	Three months ended September 30, 2021	**August 12, 2020 (date of incorporation) to September 30, 2020**	**Nine months ended September 30, 2021**	**August 12, 2020 (date of incorporation) to September 30, 2020**
Research revenue	$nil	$nil	$nil	$nil
Operating expenses				
Accretion expense	199,822	-	525,930	-
Advertising	1,650	-	7,082	-
Amortization	1,783	-	2,288	-
Compensation	112,612	-	230,791	-
Consulting fees	62,310	-	447,188	-
Finders fees	500	-	16,080	-
`General & administrative	783	-	3,071	-
Interest expense – convertible debenture	40,864	-	112,170	-
Legal & professional fees	37,016	-	127,223	-
Rent & occupancy	7,530	-	7,530	-
	464,870	-	1,479,353	-
Unrealized gain on derivative liability	-	-	267,259	-
	(183)	-	(183)	-
Loss and comprehensive loss for period	465,053	-	1,212,277	-

Accretion Expense

Accretion expense of $525,930 was incurred for the nine-month period ending September 30, 2021 related to the unwinding of the discount of the ASEP Debentures. There was a nil incurred for the period of August 12, 2020 to September 30, 2020.

Advertising Expense

Advertising expense of $7,082 was incurred for the nine-month period ending September 30, 2021 related to branding and logo design. There was a nil incurred for the period of August 12, 2020 to September 30, 2020.

Compensation Expense

Compensation expense of $230,791 was incurred for the nine-month period ending September 30, 2021 related to the salaries and wages of employees hired in March 2021. There was a nil incurred for the period of August 12, 2020 to September 30, 2020.

Consulting Fees

Consulting costs of $447,188 was incurred for the nine-month period ending September 30, 2021 related to executive compensation, transaction consulting fees, and financial consulting services. There was a nil incurred for the period of August 12, 2020 to September 30, 2020.

Finders Fees

Finders fees of $16,080 were incurred for the nine-month period ending September 30, 2021 related to the convertible debenture funds raised for the period. There was a nil incurred for the period of August 12, 2020 to September 30, 2020.

Interest Expense – Convertible Debenture

Interest expense of $112,170 was incurred for the nine-month period ending September 30, 2021 for interest accrued on the convertible debentures held by the Company. The annual interest rate on the convertible debentures is 8%. There was a nil incurred for the period of August 12, 2020 to September 30, 2020.

Legal & Professional Fees

Legal and professional fees of $127,223 was incurred for the nine-month period ending September 30, 2021 mainly related legal costs for the transactions as discussed in the “Transactions” section of this MD&A. There was a nil incurred for the period of August 12, 2020 to September 30, 2020.

Unrealized Loss on Derivative Liability

At June 30, 2021, the derivative liability was revalued due to an amendment to the conversion price. The resultant fair value gain of $267,259 was recognized in the statement of loss for the six-month period ended June 30, 2021.

LIQUIDITY AND CAPITAL RESOURCES

ASEP is a development stage company that had $nil revenue for the three-month and nine-month periods ending September 30, 2021. As at September 30, 2021, the Company had negative operating cash flows, which are expected to continue in the near future. As a development stage company, the Company requires significant additional investment to fulfill the Company's investment plans. As at September 30, 2021, the Company has financed its cash requirements through the ASEP Debentures. The Company has not entered into any other debt arrangements. The Company's ability to continue as a going concern is dependent upon obtaining additional investment capital.

Based on the foregoing, the Company will continue to pursue various funding options and opportunities; however, no assurances can be made that the Company will be successful in raising additional investment capital, to continue as a going concern. If the Company is not able to raise capital, the Company will have to reduce its cash requirements by amending the Company's investment plans and objectives.

For the nine-month period ending September 30, 2021, there was a net cash outflow from operating activities of $926,385. Expressed in tabular form, the net cash used for operations is as follows:

	Nine months ended September 30, 2021	**August 12, 2020 (date of incorporation) to September 30, 2020**	**Change**
Net loss from operations for the period, less non-cash items	$(951,318)	$nil	$(951,318)
Change in accounts receivable	(7,500)	$nil	(7,500)
Change in GST receivable	(42,078)	$nil	(42,078)
Change in prepaids and deposits	(1,587)	$nil	(1,587)
Change in accounts payable and accrued liabilities	(48,795)	$nil	(48,795)
Change in payroll tax payable	10,293	$nil	10,293
Change in accrued interest	114,600	$nil	114,600
Decrease in net cash used for operations	$(926,385)	$nil	$(926,385)

As at September 30, 2021, the Company had a working capital deficiency of $2,979,217.

The Company's contractual liabilities and obligations are as follows:

	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
Accounts payable and accrued liabilities	$ 34,914	$ -	$ -	$ 34,914
Payroll tax payable	10,293			10,293
Accrued interest	114,600	-	-	114,600
Convertible debentures	2,004,000	-	-	2,004,000
Total	$ 2,103,841	$ -	$ -	$ 2,103,841

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as at September 30, 2021.

TRANSACTIONS BETWEEN RELATED PARTIES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

As disclosed in the Financial Statements for the three-month and nine-month periods ending September 30, 2021, the Company had the following related party balance and transactions:

- During the three-month and nine-month period ending September 30, 2021, the Company incurred $nil in short-term benefits for key management personnel and entities over which they have control or significant influence.
- As at September 30, 2021, included in the accounts payable and accrued liabilities balance was $6,750 payable to Michael Graw, a shareholder and previous director of the Company, for issuance fees related to convertible debentures (2020 - $nil).
- In June 2021, the Company issued ASEP Debentures in the amount of $35,000 to related parties of the Company, of which $25,000 was issued to Fadia Saad, Chief Business Development Officer; and $10,000 was issued to Jen Gretchen, Chief Financial Officer.

CHANGES IN ACCOUNTING POLICIES

The Company had no changes to accounting policies for the three months and nine months ended September 30, 2021.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at September 30, 2021, the Company's financial instruments consisted of cash, accounts payable and accrued liabilities and convertible debentures.

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("**FVTPL**"), at fair value through other comprehensive income (loss) ("**FVTOCI**"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the classification of the Company's financial assets and liabilities under IFRS

Financial assets/liabilities	Classification
Cash	FVTPL
Subscription receivable	Amortized cost

Notes receivable	FVTPL
Accounts payables and accrued liabilities	Amortized cost
Convertible debenture	Amortized cost
Derivative liability	FVTPL

Measurement

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are recognized in the statement of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recognized in the statement of comprehensive loss in the period in which they arise.

Impairment of financial assets at amortized cost and expected credit losses

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. The Company is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

OUTSTANDING SHARE DATA

As at September 30, 2021, the authorized capital of the Company consisted of an unlimited number of Class A Common Voting shares, without par value, of which, 18,000,000 were issued and outstanding, an unlimited number of Class B Common Voting shares, without par value, of which zero (0) are issued and outstanding, and an unlimited number of Class C Common Non-Voting shares, without par value, of which zero (0) are issued and outstanding.

As at the date of this MD&A, November 29, 2021, there are zero (0) Class A Common Voting shares issued and outstanding, zero (0) Class B Common Voting shares issued and outstanding, and zero (0) Class C Common Non-Voting shares issued and outstanding. All issued and outstanding shares were cancelled upon the amalgamation on November 9, 2021, pursuant to the Amalgamation Agreement dated June 3, 2021.

RISK FACTORS

The business of the Company is subject to risks and hazard, some of which are beyond the Company’s control. Management of the Company defines risk as the evaluation of probability that an event might happen in the future that could negatively affect the financial condition and/or results of operations of Company. The following section describes specific and general risks that could affect the Company. The following descriptions of risk do not include all possible risks as there may be other risks of which management is currently unaware. Moreover, the likelihood that a risk will occur or the nature and extent of its consequences if it does occur, is not possible to predict with certainty, and the actual effect of any risk or its consequences on the business could be materially different from those described below.

1. Limited Operating History

The Company has a limited operating history upon which its business and future prospects may be evaluated. The Company was incorporated for the purposes of raising capital in order to facilitate the entry into and eventual exercise of the Sepset Option and the ABT Option. In the event the Company exercises the Sepset Option and the ABT Option, the Company will be in the pre-revenue phase and as such, it is difficult to make accurate predictions and forecasts of its finances. This is compounded by the fact that the Company intends to operate in the health science industry, which is rapidly evolving. There is no guarantee that the Company's products and services will be attractive to potential consumers.

2. Access to Capital

In executing its business plan, the Company will need to raise financing in order to exercise the Sepset Option and the ABT Option. While the Company has raised financing to date, there is no guarantee that the Company will be able to raise the remaining amounts required to exercise the Sepset Option and the ABT Option. Further, once exercised, the Company will need to make substantial investments and other expenditures related to acquisitions, research and development and marketing acting. The Company will have further capital requirements and other expenditures as it proceeds to expand its business or take advantage of opportunities for acquisitions or other business opportunities that may be presented to it. The Company may incur major unanticipated liabilities or expenses. The Company can provide no assurance that it will be able to obtain financing to meeting its capital requirements.

3. Issuance of Debt

From time to time, the Company may enter into transactions to acquire assets or shares of other organizations or seek to obtain additional working capital. These transactions may be financed in whole or in part with debt, which may increase the Company's debt levels above industry standard for companies of similar sizes. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise. The Company's inability to service any debts as required may have a materially adverse impact on results and operations of Company.

4. Lack of Operating Cash Flow

The Company does not currently have a source of operating cash flow and this trend is expected to continue for the foreseeable future, even after exercise of the Sepset Option and ABT Option. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue its business. Further research and preclinical or clinical development of the Company's therapies and products will require the commitment of substantial financial resources. It may be several years before the Company may generate any revenues from operations, if at all. There can be no assurance that the Company will realize revenue or achieve profitability.

5. Uncertainty about the Company‘s ability to continue as a going concern

The Company's ability to continue as a going concern is dependent upon its ability in the future to execute on its business opportunities and achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity and debt, will be sought to finance the operations of the Company; however, there can be no certainty that such funds will be available on acceptable terms. These conditions indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

6. Financial Projections

The Company's actual financial position and results of operations may differ materially from management's expectations. As a result, the Company's revenue, net income and cash flow may differ materially from the Company's projected revenue, net income and cash flow. The process for estimating the Company's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Company's financial condition or results of operations.

7. Estimates or Judgments Relating to Critical Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The Company bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the notes to the Financial Statements, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. The Company's operating results may be adversely affected if the assumptions change or if actual circumstances differ from those in the assumptions, which could cause the Company's operating results to fall below the expectations of investors. Significant assumptions and estimates used in preparing the financial statements include those related to the credit quality of accounts receivable, income tax credits receivable, share based payments, impairment of non-financial assets, fair value of intangible assets, as well as revenue and cost recognition.

8. No History of Payment of Cash Dividends

The Company has never declared or paid cash dividends on its shares. Upon exercise of the Sepset Option and the ABT Option, the Company intends to retain future earnings to finance the operation, development and expansion of the business. The Company does not anticipate paying cash dividends in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of the board of directors of the Company and will depend on the Company's financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the board of directors of the Company considers relevant.

9. Risks associated with ABT and Sepset

As previously noted, in order to achieve its business goals, the Company will need to exercise the Sepset Option and the ABT Option. On exercise of the Sepset Option and the ABT Option, the Company's financial condition and results of operations will be affected by the performance of the companies in which it invests. Each investee company will also be subject to risks and uncertainties which will affect their respective financial conditions. While it is impossible to outline every risk or uncertainty that each of Sepset and ABT will face, management believes the typical risks which each of Sepset and ABT may face include the following:

a. **Delays and Difficulties with Clinical Trials** - Clinical trials for treatment candidates require identification and enrollment of a large number of volunteers or eligible patients. ABT or Sepset may not be able to enroll sufficient volunteers or eligible patients to complete clinical trials in a timely manner or at all. Patient enrollment is a function of many factors, including the following: design of the protocol, size of the patient population, eligibility criteria for the study in question, perceived risks and benefits of the drug under study, availability of competing therapies, efforts to facilitate timely enrollment in clinical trials, patient referral practices of physicians, and availability of clinical trial sites. If ABT or Sepset have difficulty enrolling sufficient volunteers or patients to conduct its clinical trials as planned, they may need to delay, forego or terminate ongoing clinical trials. This may have a material adverse effect on ABT or Sepset's financial condition or results of operations.

b. **Adverse Effects** - ABT or Sepset's potential product candidates are still in preclinical or clinical development and as such, they have a high risk of failure. If serious adverse or intolerable side effects are identified during the development of the product candidates, ABT or Sepset may need to abandon their development or limit development to certain uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk benefit perspective. It is impossible to predict when or if any of ABT or Sepset's product candidates will prove effective or safe in humans or will receive regulatory approval. If serious adverse or intolerable side effects are identified post-approval, ABT or Sepset's may need to recall its products and depending on the serious adverse event or intolerable side effects, ABT or Sepset may have to abandon the product completely and could be subject to substantial product liability claims. ABT or Sepset may be able to limit sales to certain uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective.

c. **Clinical Data** - The clinical effectiveness and safety of any of ABT or Sepset's developmental products is not yet supported by clinical data and the medical community has not yet developed a large body of peer-reviewed literature that supports the safety and efficacy of ABT or Sepset's potential products. If future studies call into question the safety or efficacy of ABT or Sepset's potential products, ABT or Sepset's business, financial condition, and results of operations could be adversely affected.

d. **Unproven Market** - The Company believes that the anticipated market for ABT or Sepset's potential products and technologies if successfully developed will continue to exist and expand. These assumptions may prove to be incorrect for a variety of reasons, including competition from other products and the degree of commercial viability of the potential product.

e. **Raw Materials** - Raw materials and supplies are generally available in quantities to meet ABT or Sepset's needs. ABT or Sepset will be dependent on third-party manufacturers for the products that it markets. An inability to obtain raw materials or product supplies could have a material adverse impact on ABT or Sepset's business, financial condition and results of operations.

f. **Key Personnel** - Although ABT or Sepset are expected to have experienced senior management and personnel, ABT or Sepset will be substantially dependent upon the services of a few key technical personnel, particularly Dr. Robert E.W. Hancock, Dr. Fadia Saad and Dr. Evan Haney as well as certain other medical research professionals engaged for the successful operation of ABT or Sepset's businesses. Phase I of ABT or Sepset's research and development is planned to be completed by qualified professionals and is expected to concentrate on treatment of bacterial biofilm infections. The loss of the services of any of these personnel could have a material adverse effect on the business of ABT or Sepset. ABT or Sepset may not be able to attract and retain personnel on acceptable terms given the intense competition for such personnel among high technology enterprises, including biotechnology, and healthcare companies, universities and non-profit research institutions. If ABT or Sepset loses any of these persons, or is unable to attract and retain qualified personnel, the business, financial condition and results of operations may be materially and adversely affected.

g. **Commercialization of Products** - ABT or Sepset's ability to generate revenues and achieve profitability depends on ABT or Sepset's ability to successfully complete the development of its products, obtain market and regulatory approval and generate significant revenues. The future success of ABT or Sepset's business cannot be determined at this time, and the Company does not anticipate ABT or Sepset generating revenues from product sales for the foreseeable future. In addition, ABT or Sepset will face a number of challenges with respect to its future commercialization efforts, including, among others, that:

i. ABT or Sepset may not have adequate financial or other resources to complete the development of its various products or medical therapies, including two stages of clinical development that are necessary in order to commercialize such products or medical therapies;

ii. ABT or Sepset's may not be able to manufacture its products in commercial quantities, at an adequate quality or at an acceptable cost;

iii. ABT or Sepset may never receive FDA or Health Canada approval for its intended products or medical therapies;

iv. ABT or Sepset may not be able to establish adequate sales, marketing and distribution channels;

v. healthcare professionals and patients may not accept ABT or Sepset's product candidates;

vi. technological breakthroughs in sepsis treatment and prevention may reduce the demand for the Sepset's product candidates; and

vii. changes in the market for sepsis treatment, new alliances between existing market participants and the entrance of new market participants may interfere with the Sepset's market penetration efforts.

h. **Proprietary Intellectual Property Rights** - ABT or Sepset's ability to compete may depend on the superiority, uniqueness and value of any intellectual property and technology that it may develop. To the extent ABT or Sepset is able to do so, to protect any proprietary rights of ABT or Sepset, ABT or Sepset intends to rely on a combination of patent, trademark, copyright and trade secret laws, confidentiality agreements with its employees and third parties, and protective contractual provisions. Despite these efforts, any of the following occurrences may reduce the value of any of the Company's intellectual property:

i. issued patents, trademarks and registered copyrights may not provide ABT or Sepset with competitive advantages and ABT or Sepset's efforts to protect its current intellectual property rights may not be effective in preventing misappropriation of any its products or intellectual property;

ii. another party may assert a blocking patent and ABT or Sepset would need to either obtain a license or design around the patent in order to continue to offer the contested feature or service in its products; and

iii. the expiration of patent or other intellectual property protections for any assets owned by ABT or Sepset could result in significant competition, potentially at any time and without notice, resulting in a significant reduction in sales. The effect of the loss of these protections on ABT or Sepset and its financial results will depend, among other things, upon the nature of the market and the position of ABT or Sepset's products in the market from time to time, the growth of the market, the complexities and economics of manufacturing a competitive product and regulatory approval requirements but the impact could be material and adverse.

i. **Legal Proceedings** - From time to time, ABT or Sepset may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. It is expected that ABT or Sepset will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on ABT or Sepset's financial results.

j. Competition - An increase in other companies competing in the industry could limit the ability of ABT or Sepset's potential of expanding its operations. Current and new competitors may have better capitalization, a longer operating history, more expertise and able to develop higher quality equipment or products, at the same or a lower cost. The Company will not be able to provide assurances that ABT or Sepset will be able to compete successfully against current and future competitors. Competitive pressures that the ABT or Sepset may face could have a material adverse effect on its business, operating results and financial condition.

k. If ABT or Sepset are unable to meet any one or more of these challenges successfully, ABT or Sepset's ability to effectively commercialize its product candidates could be limited, which in turn could have a material adverse effect on the Company's business, financial condition and results of operations.