MyndTec Inc.
Management's Discussion and Analysis (MD&A) for the Year and Quarter Ended December 31, 2023
(in Canadian Dollars, unless otherwise indicated)

Dated: April 24, 2024

The following management's discussion and analysis ("**MD&A**") of the financial condition and results of operations of MyndTec Inc. ("**MyndTec**" or the "**Company**") constitutes management's review of the factors that affected the Company's financial and operating performance for the quarter and year ended December 31, 2023. This MD&A has been prepared in compliance with the requirements of National Instrument 51- 102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited consolidated financial statements of the Company for the years ended December 31, 2023 and 2022 (the "financial statements"), together with the notes thereto. Information contained herein is presented as at April 24, 2024, unless otherwise indicated.

Business Overview and Going Concern Note

The Company is incorporated under the *Business Corporations Act* (Ontario) and its head office is located at 1900 Minnesota Court, Suite 122, Mississauga, Ontario, L5N 3C9. The Company became listed on the Canadian Securities Exchange (CSE) on February 16, 2022 and trades under the symbol MYTC.

The Company's financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. There is no certainty whether the Company will generate significant revenues or attain profitable operations in the near future and there can be no assurance that it will achieve profitability in the future, as it incurred a net loss of $1,723,330 and had a negative cash flow from operations of $976,907 for the year ended December 31, 2023, after incurring a loss of $2,132,213 and a negative cash flow from operating activities of $2,343,697 for the year ended December 31, 2022.

The Company's ability to continue as a going concern is dependent on its raising of future required capital, bringing its products to market and achieving and maintaining profitable operations. The outcome of these matters cannot be predicted at this time. As a result, there exists a material uncertainty which creates significant doubt regarding the Company's ability to continue as a going concern. This MD&A does not and the Company's financial statements do not include any adjustments of assets and liabilities, which might be necessary should the Company be unable to continue its operations. Such adjustments could be material.

As at December 31, 2023, the Company was in default in respect of its Federal Economic Development Agency (FEDA) loan payable, with a principal balance of $419,257 and its $550,000 deferred payment agreement obligation to its former legal firm. Assuming there is no demand for payment of the deferred payment agreement or FEDA loan, the Company had a December 31, 2023 cash balance of $187,411 that covers approximately two months of operating expenses. As referenced in note 25, the Company completed private placements on February 13, 2024 for $134,310 and on March 19, 2024 for $135,160.

The Company has accumulated $19,678,766 of losses as at December 31, 2023, and its ability to continue as a going concern is dependent on it raising future required capital; bringing its products to market; and, achieving and maintaining profitable operations. The outcome of these matters cannot be predicted at this time. As a result, as indicated in notes 1, 2, 8, 11 and 21 of the financial statements, there exists a material uncertainty which creates significant doubt regarding the Company's ability to continue as a going concern. The Company's financial statements do not include any adjustments and classifications of assets and liabilities, which might be necessary should the Company be unable to continue its operations. Such adjustments could be material.

Product Overview and Market Strategy

The Company is dedicated to the development and commercialization of innovative products that improve function, maximize independence and enhance the quality of life for individuals who have suffered injury to the central nervous system as a result of stroke, spinal cord injuries ("**SCI**") and traumatic brain injury ("**TBI**"). The Company develops non-invasive neuro and nervous system electrical stimulation therapeutics for the treatment of neurological diseases specifically targeted to markets with large, growing, global patient populations.

The Company presently has two U.S. Food and Drug Administration ("**FDA**") cleared and Health Canada approved products, the MyndMove™ system ("**MyndMove**"), a functional electrical stimulation ("**FES**") device for use in the improvement of arm and hand function and active range of motion in patients with hemiplegia due to stroke or upper limb paralysis due to SCI, and the MyndStep™ system ("**MyndStep**"), a FES device for use in restoring lower limb function after central nervous system injury due to upper motor neuron lesions.

Corporate Strategy

By investing in research and development efforts to enhance its existing products, exploring new applications of FES, and driving technological innovation in the field of neurology, the Company is seeking to leverage its existing knowledge base to expand its product portfolio by identifying related and new medical technologies that leverage FES to target neurodegenerative diseases such as Parkinson's disease, Alzheimer's disease, and amyotrophic lateral sclerosis (ALS). In connection with this, the Company may seek clinical validation by conducting rigorous clinical trials to demonstrate the safety, efficacy, and clinical benefits of our existing and new technologies across a range of neurological disorders. The Company may also seek to obtain further regulatory authorizations (e.g. FDA clearance, CE marking) for its medical technologies in key markets to ensure market access and commercialization.

To assist with the Company's corporate strategy and expand its market presence and penetration, the Company may seek to establish one or more of the following strategic initiatives and ventures:

- Strategic Partnerships: Forge strategic partnerships with key opinion leaders, research institutions, and industry stakeholders to advance scientific knowledge, collaborate on research projects, and enhance product development efforts.
- Continuous Improvement: Implement a culture of continuous improvement and innovation, soliciting feedback from stakeholders and leveraging insights to refine products, processes, and business strategies.
- Launch New Product Lines: Develop and launch innovative medical devices targeting specific neurodegenerative diseases, such as deep brain stimulation ("**DBS**") systems for Parkinson's disease, Major Depressive Disorder (**"MDD"**) and transcranial magnetic stimulation ("**TMS**") devices for Alzheimer's disease.
- Clinical Trial Investments: Invest in robust clinical trial programs to generate clinical evidence supporting the efficacy of the Company's technologies across different neurological disorders and patient populations.
- Regulatory Strategy: Develop comprehensive regulatory strategies to navigate the regulatory approval process efficiently and expedite market entry for the Company's medical technologies.
- Market Development: Implement targeted marketing and educational initiatives to raise awareness about the Company's products among healthcare professionals, patients, and caregivers, driving adoption and utilization.
- Customer Engagement: Establish strong relationships with healthcare providers and rehabilitation centers through training programs, clinical support services, and ongoing communication to ensure optimal utilization and customer satisfaction.

Technology Overview

MyndMove

MyndMove therapy is a patented and proprietary functional electrical stimulator coupled with proprietary treatment protocols that integrates neuro stimulation with a cloud-connected database, which is FDA cleared and Health Canada approved and restores voluntary movement to stroke and SCI patients. It is marketed in Canada under medical device licenses 93158 and 106501, plus commercially available in the US under 510k Nos. K170564 and K212149, and in Malaysia under Registration GB8907023-128917. MyndMove applies advanced principles of neuroplasticity and functional electrical stimulation to assist patients with paralysis of the arm and hand to make lasting gains in the recovery of natural, voluntary movement. MyndMove's first indications are for paralysis caused by stroke and spinal cord injury.

The Company is continuing to develop additional applications designed to address a broader scope of paralysis including lower limb and trunk applications for walking, standing and sitting, and is presently seeking the addition of lower extremity to the MyndMove therapy protocol library. The Company is continuously improving the functionality of the device in response to user feedback. To address the greater demand for innovative rehabilitation solutions resulting from the global prevalence and increase of neurological disorders due to aging populations and lifestyle changes, the Company is presently evaluating certain improvements including the implementation of a wearable sleeve as a next generation MyndMove device upon regulatory clearance. A wearable sleeve potentially offers the convenience of lighter weight and smaller size components, which also facilitate home-based rehabilitation and self-management of chronic conditions with options for reimbursable remote monitoring by therapists.

The company's development work is completed through a combination of internal resources, third-party development groups and other collaborators.

In Canada, the Company lends on a service fee basis and sells MyndMove directly to clinics and institutions. In the United States and Asia, the device is sold as a capital sale. The Company's operations in Mississauga provide dedicated customer service and access to its technical service personnel and clinical consults.

MyndStep

In November 2022, MyndTec launched the MyndStep system to leverage its capabilities in FES and access the foot drop market. MyndStep is a portable device with many features, including real time monitoring, and various operation modes to accommodate patient needs and has been cleared by the FDA and approved by Health Canada for use in clinics and at home. The device is intended to provide ankle dorsiflexion of the foot and/or knee flexion, and also in improving an individual's gait or ability to walk. MyndStep prevents or retards disuse atrophy, maintains or increases joint range of motion and local blood flow. The MyndStep system is designed to provide several advantages including:

- Easy electrode placement
- Wearable design
- Mobile phone and tablet friendly
- App functionality with easy user control
- Variable treatment modes (training and walking)
- Adjustable electric stimulation intensity
- Built-in smart sensors
- For clinic and home use

Intellectual Property Strategy

Supporting the Company's corporate strategy is its intellectual property ("**IP**") strategy, which includes the following:

- Patent Portfolio Development: Develop a robust portfolio of patents to protect the company's innovations in medical device technology, particularly in the field of electrical stimulation for neurological disorders. This may involve filing and obtaining patents directed at novel devices, methods, algorithms, and software algorithms used in the treatment of stroke, spinal cord injury, and neurodegenerative diseases.
- Patent Filing Strategy: Implement a proactive patent filing strategy to capture key innovations and protect valuable intellectual property assets. This may involve filing patents in multiple jurisdictions to secure global protection and leveraging priority filing dates to develop and maintain competitive advantages.
- Licensing and Collaboration: Explore opportunities for licensing IP and technology to or from third parties or engaging in collaborative partnerships to leverage complementary technologies, expand market reach, and generate additional revenue streams. This may involve out-licensing non-core IP or acquiring IP from external sources to help strengthen the company's product portfolio.
- Trade Secrets Protection: Implement robust trade secrets protection measures to safeguard confidential information, proprietary know-how, and technical expertise that may not be suitable for patent protection. This may include implementing strict access controls, confidentiality agreements, and employee training programs.

- IP Due Diligence: Conduct IP due diligence assessments on a regular basis and as part of business transactions, such as mergers, acquisitions, or licensing agreements, to evaluate the strength and value of intellectual property assets, identify potential risks or liabilities and identify strategic opportunities.

Competitive Overview

MyndTec's MyndMove and MyndStep technologies face diverse competition from established medical device companies to startups and research institutions. Some of the established companies include:

- Bioventus LLC (including the H200 Wireless Hand Rehabilitation System and the L300 Go Foot Drop System)
- Restorative Therapies, Inc. (including the RT300 FES systems, and the Xcite Clinical Stations, which are used for both upper and lower limb rehabilitation)
- Odstock Medical Limited (including the Odstock Dropped Foot Stimulator (ODFS) Pace)
- Medtronic PLC's FES systems as part of their neuromodulation portfolio
- AxioBionics, LLC (including the Walkaide FES system for use with the treatment of foot drop)
- Ottobock SE & Co. KGaA
- Shenzen XFT Medical Limited

Other institutes working on FES research include:

- The Cleveland FES Center, a collaborative research consortium that develops and evaluates FES technologies for various applications, including rehabilitation. It involves multiple academic and clinical institutions working together to advance the field of FES.
- Tecnalia, a research and technology organization that works on a variety of projects, including the development of FES systems for rehabilitation. Tecnalia collaborates with industry partners and academic institutions to advance FES technology and its applications.

Numerous startups and research institutions worldwide are actively working on developing innovative FES solutions for rehabilitation. These entities often focus on specific aspects of FES technology, such as improving stimulation techniques, enhancing user interfaces, or optimizing rehabilitation protocols. Overall, the FES market is dynamic and evolving, with ongoing advancements in technology, research, and clinical applications driving competition and innovation. Companies and organizations in this space continually strive to develop more effective and accessible FES solutions to improve the lives of individuals with neurological impairments. Accordingly, the Company anticipates new technologies and devices to come to market in the near future.

Regulatory Overview

The regulatory environment for neurorehabilitation devices such as MyndMove and MyndStep is determined by the device's level of risk and bringing these non-invasive devices to market involves prior regulatory clearance in respective markets (e.g. FDA for the U.S. and Health Canada for Canada). MyndTec has received regulatory clearance in the U.S. and Canada for MyndMove for the treatment of the upper extremity.

In the U.S., FES devices fall under the regulatory purview of the FDA. These devices are categorized as medical devices and are subject to regulation under the Federal Food, Drug, and Cosmetic Act ("**FD&C Act**") and the regulations outlined in Title 21 of the Code of Federal Regulations (CFR), specifically Part 21 (Medical Devices) and Part 820 (Quality System Regulation). The FDA classifies medical devices into three classes (Class I, II, and III) based on the level of risk they pose to patients and the regulatory controls necessary to ensure their safety and effectiveness. Most FES devices are classified as Class II devices, and as a result are subject to the FDA's premarket notification requirements, commonly known as *510(k) clearance*. This process requires the manufacturer to demonstrate that the device is substantially equivalent to a legally marketed predicate device. Some FES devices may be classified as Class III devices if they pose a higher risk to patients. In such cases, premarket approval (PMA) is required, which involves a more rigorous review process to demonstrate the device's safety and effectiveness.

In Canada, the regulation of medical devices, including FES devices, is overseen by Health Canada. These devices are regulated under the Medical Devices Regulations, which are part of the Food and Drugs Act. Similar to the FDA's classification system, Health Canada categorizes medical devices into four classes (Class I, II, III, and IV) based on their risk level. Most FES devices are classified as Class II or III devices in Canada, depending on their intended use and risk level. Class II devices typically require a medical device license (MDL) application, while Class III devices may require a more in-depth review process. Health Canada assesses the safety, effectiveness, and quality of medical devices through its review process before granting market authorization.

At present, each of MyndMove and MyndStep are considered Class II devices in the U.S. and Canada.

Both regulatory bodies require manufacturers to adhere to stringent quality management systems, conduct appropriate testing and clinical studies, and comply with labeling and post-market surveillance requirements to ensure the safety and effectiveness of electrical stimulation devices in North America. Additionally, manufacturers must stay updated with any changes or updates to regulatory requirements to maintain compliance.

The Company intends to expand the indications for use for MyndMove to treat lower extremity to complement the current upper extremity. The Company believes this addition to the MyndMove therapy protocol library will provide patients with more rehabilitation options in a single device, while enabling therapists with more efficiency, effectiveness and reimbursement options. Furthermore, the Company believes it would have the opportunity to gain more of the market share through retaining patients for treatments that otherwise would be provided by competitor lower limb stimulation devices. A regulatory submission review is ongoing at FDA. The Company plans to expand the current Canadian license to apply lower extremity protocols upon FDA clearance.

Lower Limb (Foot Drop) Market

North America is expected to hold a major market share in the global foot drop treatment market due to the high prevalence of stroke and an increasing number of product approvals. Foot drop can arise due to a stroke. According to the Centre for Disease Control and Prevention, around 795,000 people experience stroke every year in the United States.

Stroke causes upper motor neuron injuries that lead to foot drop, an inability to lift the forefoot due to the weakness of dorsiflexors of the foot. More than 70% of hemiplegic stroke patients who can regain walking ability although they do not achieve good gait, can take advantage of FES treatments to recover their gait and correct their foot drop ailment[1].

The foot drop market is driven by factors such as the increasing prevalence of neurological conditions leading to foot drop, advancements in technology leading to more effective and user-friendly devices, and growing awareness about the importance of mobility and independence among individuals with mobility impairments. As the market continues to evolve, there is a growing emphasis on developing innovative solutions that are more personalized, adaptable, and accessible to meet the diverse needs of individuals with foot drop [1].

To address the growing demand for stroke and spinal cord injury rehabilitation approaches, in addition to the expansion of protocols into lower extremity, the Company is developing technological innovations to address stroke and SCI rehabilitation needs, specifically incorporating user friendly and workflow efficient wearable devices. These innovations will benefit both the patient and the therapist. Patient will have access to more affordable technologies and coverage while therapists will have access to more reimbursement options.

Lower Limb Market

In 2022, the Lower Extremity Devices Market was valued at USD 1.20 billion, and it is projected to witness a 7.5% growth in revenue from 2023 to 2029, reaching nearly USD 1.99 billion [9]. Lower Extremity Devices are external attachments or applications used on lower limbs to enhance functionality by providing support, motion control, pain reduction, deformity correction, and prevention of progression [9].

The emergence of recent treatments for foot drop is anticipated to propel market growth in the forecast period. Various neurological impairments affecting gait, such as stroke, spinal cord injuries, multiple sclerosis, cerebral palsy, and brain injuries, occur globally at high rates. Foot drop, a common gait impairment resulting from these conditions, is characterized by paralysis or significant weakness of the ankle dorsiflexor muscles, leading to inadequate dorsiflexion during the swing phase of gait and uncontrolled plantarflexion, resulting in foot slap. Conventional treatments involve ankle-foot orthoses (AFOs), while promising alternatives such as robotic and electrical stimulation assistance techniques are being developed. Functional electrical stimulation (FES), such as MyndStep, and transcutaneous electrical nerve stimulation (TENS) are commonly used methods for compensating foot drop, with FES clinically beneficial in gait restoration [8]. Factors such as the increasing incidence of sports injuries and surgical procedures are driving the market. These devices are crucial for pain relief, quality of life improvement, and mobility enhancement post-surgery or in cases of abnormalities. Technological advancements, including digital integration, are major revenue drivers in this market [9].

Rising prevalence of brain and spinal disorders is anticipated to positively impact the lower limb FES segment market [8]. The following factors influence the growth of lower limb devices, including foot drop devices[9]:

- Increased Incidence of Accidents: The rise in accidents leads to a higher demand for lower extremity devices, such as orthoses, which provide support and aid in rehabilitation.
- Growing Aging Population: Elderly individuals are more susceptible to orthopedic disorders, driving the demand for lower extremity devices, particularly for conditions like arthritis and osteoarthritis.
- Preference for Foot Orthoses and Therapeutic Footwear: Foot orthoses and therapeutic footwear are increasingly preferred, especially by accident victims, athletes, and the elderly, driving market growth.
- Cost Constraints: The high cost of lower-extremity devices, coupled with limited reimbursement options, acts as a restraint on market growth.
- Technological Advances: Recent innovations in functional electrical stimulation (FES) devices and traditional orthoses are boosting market growth, providing alternatives to conventional treatments.
- The lower limb stimulation market includes product types such as knee orthotics, foot and ankle orthotics, and hip orthotics.

Key players in the market include DePuy Synthes, Stryker Corporation, Zimmer Biomet, DJO Global, CONMED, and others [9]. The global foot drop treatment market is highly competitive. Key players in the market include NextStep Robotics, Ottobock, Bioness Inc., Axio Bionics, Accelerated Care Plus Corporation, Saebo, Inc., Boston Orthotics & Prosthetics, Turbomed Orthotics, Ossur, Thrive Orthopedics [8], Bioness, Odstock Medical and Shenzhen XFT Medical[10].

North America is projected to hold the largest market share in the global foot drop treatment market, driven by the high prevalence of stroke and growing product approvals [8], innovative devices, specialized health care facilities, key market players [9], strategic collaborations and the emergence of wireless connectivity and smart devices [10]. It is worth noting that Asia-Pacific region is expected to witness the fastest growth due to factors like a large elderly population, improving infrastructure, and rising medical tourism [9].

Market Overview – Stroke and SCI

Each year, over 795,000 individuals in the United States experience a stroke [7], which stands as the primary cause of significant, long-term disability and decreased mobility. 87% of these strokes are ischemic [6, 7] and 13% hemorrhagic [6]. The hemorrhagic stroke occurs when an artery in the brain leaks blood, and ischemic stroke, when blood clots block the blood vessels [7]. The financial toll of strokes in the U.S., which accounts for 44.19% of the global FES market share [2], reached nearly $56.5 billion between 2018 and 2019. Despite widespread and individualized stroke prevention measures, strokes persist as the second leading cause of death and the third leading cause of both death and disability globally. The estimated global economic impact of strokes surpasses US$850 billion, comprising approximately 1.12% of the global Gross Domestic Product (GDP). Notably, from 1990 to 2019, the burden of strokes, in terms of both incidence and mortality rates, has substantially increased, with

strokes now occurring more frequently among individuals under 70 years old. This shift is attributed to various risk factors such as high blood pressure, obesity, elevated blood sugar levels, environmental pollution, smoking, poor dietary habits, high LDL cholesterol, kidney dysfunction, alcohol consumption, and insufficient physical activity [2]. In the healthcare industry, the global market for stroke diagnostics and therapeutics was valued at $8.5 billion in 2022 and is forecasted to expand at a Compound Annual Growth Rate (CAGR) of 4.6% from 2023 to 2032, potentially reaching $66.41 billion by 2032. Specifically, the global market for Acute Ischemic Stroke Therapeutics is anticipated to escalate from USD 9.0 million to USD 14.0 billion by 2032 [5].

The functional electrical stimulation (FES) market, currently valued at US$931.4 Million, is projected to grow at a CAGR of 4.1% from 2023 to 2033. This growth is propelled by the increasing incidence of neurological disorders, an aging population, and advancements in electrical stimulation technology. North America holds a significant portion of the global FES market share, accounting for 44.19% [4]. The musculoskeletal disorders treatment market size is approximately 326 billion. US represents the largest market share (37%)[3].

In response to these trends, the Company is dedicated to developing technological innovations tailored to the diverse and evolving needs of stroke and spinal cord injury (SCI) patients. The Company aims to introduce accessible, cost-effective, and efficient devices that offer benefits for both patients and therapists.

Sales Overview

The Company has revenues from sales in Canada, the U.S. and Malaysia and has one operating segment which includes income related to MyndMove. The primary types of revenue that are earned from MyndMove include: (1) *treatment fees*, from treatment clinics that use the Company's MyndMove devices, and (2) *product sales*, from the sale of MyndMove and MyndStep devices to clinics or research institutions and the sale of device parts or treatment supplies.

The Company is currently working with its distribution partners to increase the sales of MyndMove in the U.S. and Asia. To support these efforts, the Company has increased the number of demonstration units available to distributors and assisted with awareness campaigns that increased the number of inbound leads provided to the distributors. By working with its distribution partners, the Company has learned that the sales cycle for MyndMove is longer than first thought and that many hospitals and clinics require a longer device evaluation period, and hospitals and clinics are under pressure, given reductions in reimbursement, to provide positive patient outcomes and remain profitable. In this environment, the product market fit is even more important. The Company has also seen increased competition from many different companies that have entered the market or are planning to enter the market.

Footnotes (Sources):

1 Mordor Intelligence, Foot Drop Treatment Market, Growth, Trends, Covid-19 Impact and Forecasts (2022-2027), https://www.researchandmarkets.com/reports/5529412/foot-drop-treatment-market-growth-trends

2 International Journal of Stroke, World Stroke Organization (WSO): Global Stroke Fact Sheet 2022

3 Towards Healthcare (2024) Musculoskeletal Disorders Treatment Market Size Envisioned at USD 326.26 Billion by 2032 https://www.towardshealthcare.com/insights/musculoskeletal-disorders-treatment-market-sizing

4 Future Market Insights Inc.(2024). Functional Electrical Stimulation Market Outlook (2023-2033). https://www.futuremarketinsights.com/reports/functional-electrical-stimulation-market

5 Market.Us (2024).Acute Ischemic Stroke Therapeutics Market by Drug Class (Thrombolytics, Antiplatelets, Anticoagulants, Statins, Antihypertensives), by Route of Administration (Oral, Parenteral), by Distribution Channel, Region and Companies – Industry Segment Outlook, Market Assessment, Competition Scenario, Trends and Forecast 2023-2032. https://market.us/report/acute-ischemic-stroke-therapeutics-market/

6 Johns Hopkins Medicine (2024). Types of Stroke. https://www.hopkinsmedicine.org/health/conditions-and-diseases/stroke/types-of-stroke

7 Centers for Disease Control and Prevention (May 2023). Stroke Facts. Retrieved in April 2024 from: https://www.cdc.gov/stroke/facts.htm

8 Datam Intelligence 2024. Global Foot Drop Treatment Market is segmented By Product Type (Electrical Stimulator, Braces/Splints, Other), By Application (Neuropathy, Muscle Disorders, Brain & Spinal Disorders, Others), and By Region (North America, Latin America, Europe, Asia Pacific, Middle East, and Africa) – Share, Size, Outlook, and Opportunity Analysis, 2023- 2030. Foot Drop Treatment Market Overview. https://www.datamintelligence.com/research-report/foot-drop-treatment-market

9 Maximize Health Research (2024). Lower Extremity Devices Market: Global Industry Analysis and Forecast (2023-2029). https://www.maximizemarketresearch.com/market-report/lower-extremity-devices-market/167120/

10 Reliable Research Reports (2024) . Global FES Foot Drop Devices Market Growth 2024-2028. https://www.reliableresearchreports.com/global-fes-foot-drop-devices-market-r1409488

Business Objectives and Milestones

To assist the Company in meeting its primary business objective to increase its technology offering and revenue, the Company intends to achieve the following milestones by December 31, 2024:

Note	Milestone	Estimated Completion Date
1	Regulatory clearance in Canada and U.S. for the authorized use of MyndMove to include lower limb treatment	Q4 - 2024
2	Licence intellectual property, technologies or assets to expand and improve the Company's product offering	Q3 - 2024

Notes:

(1) The Company has submitted a 510K application to expand the indications to include lower body stimulation by MyndMove and is waiting for final review of this application.
(2) Management has identified related technologies to license that would expand the treatment for other neurodegenerative diseases.

Significant Transactions and Business Highlights

2023 Private Placements

On January 11, 2023 and May 23, 2023, the Company completed Private Placements of 1,259,038 Units, in total, with its two largest shareholders, at $0.75 per Unit, for a total of $944,280. On November 3, 2023 and December 20, 2023, the Company completed Private Placements of 361,705 Units, in total, with its largest shareholder, at $0.75 per Unit, for a total of $271,279.

Each Unit was comprised of one Common share and one warrant. The warrants have an exercise price of $0.90 per warrant and expire three years from the date of issuance.

The subscribers ultimately received 1,620,743 common shares of the Company and 1,620,743 warrants to acquire common shares of the Company at $0.90. The warrants expire January 11, 2026, May 23, 2026, November 3, 2026 and December 20, 2026, respectively. Of the $1,152,625 in proceeds net of issue costs, $413,247 was allocated to the value of the warrants issued, based on a Black Scholes valuation of the warrants with an exercise price of $0.90; a weighted average estimated $0.77 value of common shares; a weighted-average volatility rate of 91.88%; an expected 3-year life for the warrants; and a weighted-average risk-free interest rate of 3.77%.

Forgiveness of Financial Obligation to a Director

As of August 11, 2023, Dr. Popovic, a Director of the Company, agreed to forgive MyndTec's debt in the amount of $75,000. The debt comprised the outstanding balance owed by the Company to Dr. Popovic for compensation due to him for services provided as interim CEO in a calendar period prior to 2022.

Debt Conversion to Equity and Forgiveness of Government Debt

On July 6, 2023, the Company closed a settlement agreement with the Health Technology Exchange, whereby the Company's repayment obligation of $756,121 was fixed as of May 29, 2023 and, then, partially repaid by the issuance of 540,088 in common shares, at $0.70 per share, for a total of $378,062.

The $378,059 remainder of the obligation was forgiven, subject to the condition that the Company's MyndMove product revenues do not exceed $1,000,000 in the twelve-month period ended May 29, 2024. The Company has recorded the fair value of this outstanding obligation at one dollar ($1), as explained in notes 11 and 21 of the Company's financial statements.

Appointment of Strategic Consultant

On May 30, 2023, the Company entered into a Consulting Agreement with Zen Koh, a renowned expert in the field of rehabilitation technology. This alliance is dedicated to identifying crucial acquisitions that will bolster MyndTec's market expansion and drive product innovation initiatives. This partnership will allow MyndTec to expand its reach and establish connections with a wider range of influential companies, ultimately generating substantial value for our shareholders, patients, and therapists.

Zen Koh is the Co-founder and Global CEO of Fourier Intelligence and has played a pivotal role in shaping the future of rehabilitative technologies. His dedication to pushing boundaries and improving patient outcomes is evident in his involvement with various non-profit organizations. Notably, he is the incoming president of the International Industry Society in Advanced Rehabilitation Technology (IISART), where he will contribute to the global advancement of the field. Furthermore, as the Co-founder and Executive Director of Motus Academy, a Swiss-based organization, Mr. Koh has been appointed as the General Chair for RehabWeek 2023. The Company has granted Zen Koh 500,000 stock options (the "Options"). Each Option entitles the holder to acquire one common share of the Company at a price of $0.75, pursuant to the Company's stock option plan. 240,000 of the Options vest monthly in equal installments over a period of 12 months in accordance with the terms of the Consulting Agreement. The remaining 260,000 of the Options vest upon completion of an acquisition within 12 months of the effective date. All vested Options shall be eligible for exercise for a period expiring on the 10th anniversary of the grant date provided that all unvested Options will terminate and expire in accordance with the terms of the Consulting Agreement.

MyndStep

On August 5, 2022, MyndTec entered into a supply and distribution agreement with Guangzhou Longest Science & Technology Co. Ltd. ("GLST") for the exclusive distribution of MyndStep™ Foot Drop device, which is available in the United States and Canada since the fourth quarter of 2022.

Department of Defense Clinical Trial

The Company completed a post-market clinical trial to further expand its body of clinical outcome data for the MyndMove product, on July 28, 2022. This trial was funded by the SCI Research Program under the United States Department of Defense office of the Congressionally Directed Medical Research Programs, award number W81XWH-16-1-0790. The trial began enrollment of approximately 60 patients in June 2019. This was a randomized two-arm, parallel group, multicenter, single-blind, controlled trial comparing electrical neuromodulation delivered by MyndMove therapy to intensive upper-limb conventional therapy in the treatment of individuals with moderate to severe motor impairment to their arms and hands from an incomplete, cervical, traumatic SCI.

The results of this research were published in Frontiers in Rehabilitation Science: September 2022 | DOI 10.3389/fresc.2022.995244. The following information is extracted from this publication:

Overview

A multi-center, single-blind, parallel-group, two-arm, randomized controlled trial was conducted comparing FES to conventional therapy in adults (≥18 years) with C4–C7 traumatic incomplete tetraplegia, between 4 and 96 months post-injury, and with a baseline spinal cord injury independence measure III - self-care (SCIM III-SC) score of ≤10. Participants were enrolled at four SCI-specialized neurorehabilitation centers in the U.S. and Canada. Participants were stratified by center and randomized in a 1:1 ratio to receive either 40 sessions of FES or conventional therapy targeting upper extremities over a 14-week period. Blinded assessors measured SCIM III, Toronto Rehabilitation Institute Hand Function Test, and Graded Redefined Assessment of Strength, Sensibility, and Prehension at baseline, after 20th session, after 40th session or 14 weeks after 1st session, and at 24 weeks after 1st session. The primary outcome measure was change in SCIM III-SC from baseline to end of the treatment. Based on the primary outcome measure, a sample size of 60 was calculated. Seventeen participants' progress in the study was interrupted due to the COVID-19 lockdown. The protocol was modified for these participants to allow them to complete the study.

Results

Between June 2019 to August 2021, 51 participants were randomized to FES (n= 27) and conventional therapy (n= 24). Both groups gained a mean of 2 points in SCIM-SC scores at the end of treatment, which was a clinically meaningful change. However, there was no statistically significant difference between the groups on any outcomes.

Conclusion

Forty sessions of FES therapy delivered by the MyndMove stimulator are as effective as conventional therapy in producing meaningful functional improvements that persist after therapy is completed. Limitations of this study include the impact of COVID-19 limiting the ability to recruit the target sample size and per-protocol execution of the study in one-third of the participants.

Board Changes

On May 11, 2022, the Company announced that Carlo Pannella tendered his resignation as a director of the Company and Chair of the Board's Audit Committee, effective May 11, 2022, and that the Company appointed William (Bill) Jackson to its Board as an independent director and as Chair of the Board's Audit Committee, effective May 11, 2022.

On March 8, 2022, the Company announced that Christine Ozimek tendered her resignation as a director of the Company and Chair of the Board of Directors of the Company with an effective date of March 31, 2022**.** In the Management's Discussion and Analysis reports for the periods ended December 31, 2022 and March 31, 2023, the Company had incorrectly referenced the effective date as another date. Dr. Milos Popovic was subsequently appointed by the Board to be the interim Chair with effect as of March 31, 2022.

Appointment of Investor Relations Consultant

On May 3, 2022, the Company entered into a consulting agreement (the "**Consulting Agreement**") with Venture North Capital Inc. ("**Venture North**") to provide strategic marketing, investor relations and capital markets communications services to the Company in compliance with the policies and guidelines of the CSE. The Investor Relations Consultant arranges and attends meetings with professional investors, to maintain ongoing contact and broaden relationships with the professional investment community on MyndTec's behalf. The Consulting Agreement was effective May 3, 2022, at a cost of $6,000 plus applicable taxes per month, plus Venture North was granted 200,000 stock options (the "Options") of the Company. Each Option is exercisable into one common share of the Company at an exercise price of $0.95 per share and the Options will vest at a rate of 25% per quarter. All vested Options shall be eligible for exercise for a period expiring on the 10th anniversary of the grant date provided that all unvested Options will terminate and expire on the date that the Consulting Agreement is terminated. These options were granted on May 3, 2022. This contract has been temporarily suspended as of September 15, 2022, pending the outcome of conversations with current shareholders with respect to raising additional capital through a private placement.

Distribution agreement – Fourier Intelligence International Pte. Ltd. ("Fourier")

On March 22, 2022, the Company signed a non-binding exclusive distribution agreement for the distribution of MyndMove in Singapore and Malaysia, with Fourier, a company with offices in Singapore. MyndTec will incur costs for product evaluations and clinical demonstrations. Three MyndMove units have been sold to Fourier, one in each of 2022, 2023 and 2024.

U.S. FDA 510(k) Clearance for MyndMove 2.0

On March 8, 2022, the Company received from the FDA, a 510(k) clearance for MyndMove 2.0, its second generation neuromodulation MyndMove system, which is an important component of the Company's strategic re-launch of MyndMove devices in the United States through its distribution partner, LBB Applied Technology, LLC to offer clinicians a device that delivers effective therapy at clinic or home environments, without compromising patient comfort, through the Company's proprietary design.

Conversion of Convertible Debentures

As a result of the Listing Approval and Final Receipt (each as defined herein), on February 17, 2022, $1,655,185 of Convertible Debentures were converted into 1,784,402 common shares at $0.80 per share and 1,784,402 common share purchase warrants exercisable until February 7, 2027, at $1.00 per share.

The Company issued $1,250,000 of these unsecured convertible debentures on May 19, 2020, with a maturity date of December 31, 2022. Interest accrued at a fixed annual interest rate of 8%, compounded annually and payable on the maturity date. The Convertible Debentures and accrued interest were convertible into common shares at the fair market value of the common shares at the date of conversion, as determined by the Board, unless the conversion was a result of a qualified financing. On the occurrence of a qualified financing, the convertible debentures and accrued interest were convertible at a price per security equal to 80% of the price per security issued in the qualified financing.

Listing on Canadian Securities Exchange

On February 7, 2022, the Company received conditional listing approval from the CSE to list its common shares (the "**Listing Approval**") and on February 24, 2022, the common shares began trading on the CSE. On February 16, 2022, the Company also received a final receipt (the "**Final Receipt**") for its non-offering prospectus filed in each of Ontario, Alberta and British Columbia to qualify the securities issuable upon conversion of the Subscription Receipts (as defined herein). The receipt of the Listing Approval and Final Receipt triggered the conversion of the Convertible Debentures (as defined above) and the Subscription Receipts.

On December 10, 2021, the Company completed a private financing for total gross proceeds of $2,954,302. The subscribers initially received 2,954,302 subscription receipt units of the Company (the "**Subscription Receipts**") and these were exchanged, on February 17, 2022, as a result of the Listing Approval and Final Receipt, for 2,954,302 common shares and 2,954,302 common share purchase warrants exercisable at $1.00 per share until February 7, 2027.

Of the $2,954,302 in proceeds, $594,860 was received on the initial closing and the remaining $2,359,442 was received by the Company, from the escrow trustee, on February 17, 2022. In addition, the Company incurred $101,705 of share issue costs that were recorded in prepaid expenses and deposits as at December 31, 2021.

Total listing costs were approximately $1,270,000, of which $1,055,940 was recorded in the Company's audited consolidated statement of operations and comprehensive loss, as at December 31, 2021. With respect to the total listing costs incurred, the Company has applied to have $198,570 of 2022 legal bills, included therein, assessed by the Ontario Superior Court of Justice.

Events Occurring after the Reporting Date

Refinancing of CEBA Loan

On January 22, 2024, the Company's Canadian Emergency Business Account loan was repaid from the proceeds of a loan from the Royal Bank of Canada ("**RBC**"). The RBC loan is repayable in equal amounts of 60 months, commencing on February 22, 2024, with interest at RBC prime plus 2.84%.

Claim for Payment of Fees by Former Law Firm

On January 29, 2024, the Company filed a Statement of Defense and Counterclaim with respect to the December 21, 2023 Claim for Damages, which was filed against the Company by the Company's former legal firm, as described in note 8 of the financial statements.

Private Placements

On February 13, 2024, the Company closed a non-brokered private placement, with an existing shareholder, of 179,080 Units, at $0.75 per Unit, for a total subscription price of $134,310. Each Unit was comprised of one common share and one warrant. The warrants have an exercise price of $0.90 per warrant and expire on February 13, 2027.

On March 19, 2024, the Company closed a non-brokered private placement, with an existing shareholder, of 180,214 Units, at $0.75 per Unit, for a total subscription price of $135,160. Each Unit was comprised of one common share and one warrant. The warrants have an exercise price of $0.90 per warrant and expire on March 19, 2027.

Research and Development Expenses and Incentives

Research and development expenses consist primarily of employee-related expenses, contractor and consultant fees and corporate overhead allocations for the design, development and management of the Company's products and treatment tracking platform. The Company will continue to focus its research and development efforts on adding new protocols and clinical applications designed to expand the portfolio of clinical functionalities of the platform. In the past, these expenses have been reduced by Canadian federal SR&ED tax credits. As of February 16, 2022, when the Company became publicly listed, it no longer qualifies for cash refundable SR&ED credits from that date forward, which will cause the Company's net research and development expenses to increase.

Research and development expenses consist primarily of employee-related expenses, contractor and consultant fees and corporate overhead allocations for the design, development and management of the Company's devices and platform. The Company will continue to focus its research and development efforts on adding new protocols and clinical applications designed to expand the portfolio of clinical functionality of the platform. In the past, these expenses have been reduced by Canadian federal SR&ED tax credits. Since the Company is publicly listed, it will no longer qualify for cash refundable SR&ED credits.

Selected Financial Information

The following selected financial information is derived from the Company's financial statements prepared in accordance with International Financial Reporting Standards ("**IFRS**").

December 31, 2023 and 2022 Annual Financial Information

	Year Ended	
	31-Dec-23	31-Dec-22
	$	$
Total assets	554,848	642,569
Current liabilities	1,440,628	1,270,425
Non-current liabilities	34,000	297,483
Working capital (deficit)	(1,004,619)	(867,880)
Revenue	137,312	255,801
Gross Margin	54,896	67,444
Expenses	1,778,226	2,199,657
Net loss	(1,723,330)	(2,132,213)
Net loss per share, basic and diluted	(0.07)	(0.10)

Annualized Summary of Quarterly Results for the twelve months ending December 31, 2023

	$'000				
	Quarterly				Annual
For the Period Ended	March 2023	June 2023	September 2023	December 2023	Dec 31 2023
Total Assets	807	756	666	555	555
Revenue for the Period	37	22	56	21	137
Loss for the period	(379)	(895)	(83)	(366)	(1,723)
Loss per share	(0.02)	(0.03)	(0.00)	(0.02)	(0.07)

Annualized Summary of Quarterly Results for the twelve months ending September 30, 2022

	$'000				
	Quarterly				Annual
For the Period Ended	March 2022	June 2022	September 2022	December 2022	Dec 31 2022
Total Assets	2,284	1,594	1,166	643	643
Revenue for the Period	45	91	53	67	256
Loss for the period	(688)	(474)	(457)	(513)	(2,132)
Loss per share	(0.03)	(0.02)	(0.02)	(0.03)	(0.10)

Year and three-month period ended December 31, 2023 compared to the same periods ended December 31, 2022 ("Comparable Period")

Statement of Comprehensive Loss

	Three Months Ended		Year Ended	
	2023	2022	2023	2022
Revenue	**$ 21,406**	**$ 66,620**	**$ 137,312**	**$ 255,801**
Cost of sales	17,417	100,528	82,416	188,357
Gross margin	**3,989**	**(33,908)**	**54,896**	**67,444**
Expenses				
General and administration	175,597	248,137	707,637	973,182
Research and development	34,306	88,382	324,253	414,737
Quality and regulatory assurance	12,797	33,151	65,769	42,037
Selling and marketing	11,082	33,569	98,546	100,346
Share-based compensation	73,896	43,410	198,202	240,337
Interest and accretion expense	(2,800)	20,606	23,461	106,840
Depreciation and amortization	54,437	63,974	121,185	131,602
Clinical trial	-	(1,973)	-	(67,151)
Changes in fair value	-	(58,080)	105,436	(8,489)
Public listing costs	10,434	8,079	307,885	266,216
Government grants and tax credits	-	-	(174,148)	-
Total operating expenses	369,749	479,255	1,778,226	2,199,657
Net and comprehensive loss	**$ (365,760)**	**$ (513,163)**	**$ (1,723,330)**	**$ (2,132,213)**

Commentary respecting the year ended December 31, 2023

Year-to-date Net Comprehensive Loss

For the year ended December 31, 2023, the Company reported a net comprehensive loss of $1,723,330 compared to a net comprehensive loss of $2,132,213 for the comparable period, a decrease in net comprehensive loss of $408,883. This decreased loss is due to a $265,545 decrease in general and administration; a $90,484 decrease in research and development; an $1,800 decrease in selling and marketing; a $42,135 decrease in share-based compensation; an $83,379 decrease in interest and accretion expense; a $10,417 decrease in depreciation and amortization: and, $174,148 of Scientific Research and Development refund claims received in 2023 – offset by $12,548 of lower gross margin; higher quality & regulatory assurance expenses of $23,732; $67,151 of Clinical Trial recoveries in 2022 and nothing in 2023; a $113,925 increase in non-cash changes in fair value expense; and, a $41,669 increase in public listing costs.

Year-to-date Revenue and Gross Margin

Revenue decreased $118,489 or 46.3%, due to a 43.8% reduction in treatment fees and a 49.0% reduction in product sales.

Gross margin decreased $12,548 or 18.6%, due to lower sales, offset by margin rates increasing from 26.4% to 40.0% as a result of $77,547 of inventory obsolescence in the 2022 cost of sales.

Year-to-date Operating Expenses

Total operating expenses decreased $421,431, or 19.2%, as noted above and the following:

General and administrative expenses decreased $265,545, from $973,182 to $707,635, including: $88,456 of staffing costs; $114,055 of professional (primary accounting and legal) fees; $47,298 of insurance; and, $15,736 of other costs.

Research and development expenses decreased $90,484, from $414,737 to $324,253, including: a $129,522 decrease in salaries and benefits and a $10,235 decrease in patent fees, offset by a $49,273 increase in research and development costs

Quality and regulatory assurance costs increased $23,732, from $42,037 to $65,769, due to the need for more external audits in 2023 than 2022.

Selling and marketing costs decreased $1,800, from $100,346 to $98,546, due to $38,251 of MyndStep demonstration units being delivered to clinics, offset by the elimination of the Company's previous customer database software in favour of a new proprietary option.

Non-cash share-based compensation expense decreased $42,135, from $240,337 in 2022 to $198,202 in 2023, due to contractor options issued in Q2 of 2022.

Interest and accretion expenses decreased $83,379, from $106,840 in 2022 to $23,461 in 2023, including: $68,805 in 2022 government loan accreted interest primarily due to contract changes related to the Federal Economic Development loan default; $2,854 for the office lease; and, $22,807 for the Q1 2022 conversion of the Company's convertible debentures into share capital - offset by a $11,087 increase in short term interest due primarily to the default provisions related to the Company's obligations to its former legal firm.

The change in depreciation and amortization expense was inconsequential.

The Company's clinical trial concluded in 2022, so there was no income or expense in 2023.

Changes in fair value are non-cash income or expense amounts that arise from the application of IFRS fair value accounting rules. The 2022 expense was minimal. The 2023 fair value expense is related to the Company's July 6, 2023, equity and forgiveness settlement with the Health Technology Exchange. As of December 31, 2023, the Company had no assets or liabilities that might give rise to future changes in fair value.

The 2022 public listing costs of $266,216 include significant legal fees related to the Company's February 16, 2022, listing on the Canadian Securities Exchange. The $307,885 expense for the year ended December 31, 2023, includes: $52,093 of ongoing maintenance costs and a $255,792 legal fees penalty related to Company's default of its January 24, 2022, settlement with its former legal firm.

In 2023, the Company received $174,148 of Scientific, Research and Experimental Development (SR&ED) income tax credits, for the year ended December 31, 2021 and the 47 days ended February 16, 2022. There were no credits received in 2022.

Commentary respecting the three-month period ended December 31, 2023

Current Quarter Net Comprehensive Loss

For the three-month period ended December 31, 2023, the Company reported a net comprehensive loss of $363,760 compared to a net comprehensive loss of $479,255 for the comparable period, for a decrease in net comprehensive losses of $147,403. This decreased includes: a $37,897 increase in gross margin; a $72,540 decrease in general and administration; a $54,076 decrease in research & development; a $20,354 decrease quality & regulatory assurance; a $22,487 decrease in sales & marketing; a $23,406 decrease in interest and accretion; and, a $9,537 decrease in depreciation & amortization - offset by a $30,486 increase in share-based compensation; $1,973 of net recoveries from the Clinical Trial; $59,080 of changes in fair value, in 2022; and, a $2,355 increase in public listing costs.

Current Quarter Revenue and Gross Margin

Revenue decreased $45,214 or 67.9%, due to a device sale in 2022 for $44,590.

Gross margin increased $37,897 due a $63,403 inventory obsolescence charge in 2022, offset by margins on the device sale.

Current Quarter Operating Expense Details

Total operating expenses decreased $109,506, or 22.8%, from $479,255 to $369,749 - as follows:

General and administrative expenses decreased $72,540, from $248,137 to $175,597, including: $34,633 of professional fees and $38,600 of insurance accrual adjustments – offset by $693 of other increases.

Research and development expenses decreased $54,076, from $88,382 to $34,306, including: a $42,184 decrease in salaries and benefits related to the resignation of the Company's vice president engineering and a $11,892 adjustment to 2023 patent cost accruals.

Quality and regulatory assurance costs decreased $20,354, from $33,151 to $12,797, due to the timing of regulatory audits.

Selling and marketing costs decreased $22,487, from $33,569 to $11,082, due to $16,670 of salary and benefits reductions related to the termination of the Company's marketing manager in 2023; $3,223 of lower costs related to fewer MyndStep promotional units being delivered to clinics and $2,594 of other cost savings.

Non-cash share-based compensation expense increased $30,486, from $43,410 to $73,896, due to year end audit valuation adjustments.

Interest and accretion expenses decreased $23,406, from $20,606 to ($2,800) as a result of the elimination of government loan interest.

Changes in fair value are non-cash income or expense amounts that arise from the application of IFRS fair value accounting rules. The 2022 recovery of expense was a fair value adjustment for the Health Technology Exchange loan related to lower future revenue assumptions, which are the basis for future principal payments. There was no expense in 2023.

Public listing costs increased $2,355, from $8,079 in 2022 to $10,434 in 2023.

Disclosure of Outstanding Security Data

The Company is authorized to issue an unlimited number of common shares. The table below lists the securities outstanding as at December 31, 2022, December 31, 2023 and April 24, 2024:

	As At		
	December 31, 2022	December 31, 2023	April 24, 2024
Common Shares	21,838,500	23,999,331	24,358,625
Common Share Purchase Warrants	5,998,239	6,359,447	6,718,741
Options	1,115,000	1,485,000	1,460,000

Liquidity and Capital Resources

As at December 31, 2023, the Company had negative working capital of $1,004,619 (December 31, 2022 – negative working capital of $867,880); and a cash and cash equivalents balance of $187,411 (December 31, 2022 - $68,621). Assuming there is no demand for payment of the deferred payment agreement or FEDA loan, the Company's December 31, 2023 cash balance covers approximately two months of operating expenses. As referenced on page 5, the Company completed private placements on February 13, 2024 and March 19, 2024 for a total of $269,470. The Company is not subject to any externally imposed capital requirements.

The December 31, 2023, the Company's negative working capital includes $715,652 of deferred payment agreement and disputed expenses payable and the $419,257 Federal Economic Development Agency loan that the Company will be unable to settle in cash, without a new public capital raise. Although Management believes it is not in the best interest of these debtors to attempt to enforce payment of these debts, as indicated in notes 1, 2, 8, 11 and 21 of the financial statements, these obligations create material uncertainty that the Company can complete a new financing.

The Company's SR&ED claim for the year ended December 31, 2021, of $154,893, was received on November 21, 2023. The $19,255 claim for the 47-day period ending February 15, 2022, was received on August 11, 2023. It is unlikely that the Company will receive additional SR&ED income in the near future.

There is unlikely to be significant capital spending for the twelve months ended December 31, 2024.

Working capital requirements for the twelve months ended December 31, 2024, are anticipated to be funded by the Company's December 31, 2023 working capital and future financings completed in 2024 that have not yet been defined.

Secondary private financing transaction

See page 5 of this MD&A for details in respect of the Company's conversion of subscription receipts. $2,359,442 of proceeds was received by the Company on February 18, 2022, with respect to this financing.

2023 financing transactions

See page 2 of this MD&A for details in respect of the Company's private placement financings completed in November and December 2023, in which $371,279 of net proceeds were raised.

See pages 2 of this MD&A for details in respect of the Company's private placement financings completed in January and May 2023, in which $844,280 of net proceeds were raised.

Funding Requirements

As at December 31, 2023, the Company is not anticipating an ongoing profit from operations in the immediate term, therefore it is dependent on its ability to obtain equity or debt financing for growth. The Company will need additional capital no later than February 29, 2024 and is attempting to raise additional funds before that time.

Application of the Company's accounting policies in compliance with IFRS requires the Company's management to make certain judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made.

Critical Judgments Used in Applying Accounting Policies

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

- ***Going concern***
  Judgement is required in determining if disclosure of a material uncertainty related to events or conditions which cast significant doubt on the Company's ability to continue as a going concern is required.

  The estimates used by management in reaching this conclusion are based on information available as of the date of these financial statements were authorized for issuance and included an internally generated cash flow forecast. Accordingly, actual results could differ from those estimates and resulting variances may be material to management's assessment.

  As indicated in notes 1, 2, 8, 11 and 21 of the financial statements, a material uncertainty exists which creates significant doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments or re-classifications of assets and liabilities, which might be necessary should the Company be unable to continue its operations. Such adjustments could be material.

- ***Leases***
  Valuation of right-of-use assets and lease liabilities require judgment in determining lease terms such as extension options and the incremental borrowing rate applied.

- ***Stock options and warrants***
  The Company uses the Black-Scholes valuation model to determine the fair value of stock option awards granted and warrants granted in conjunction with the share capital subscriptions. The fair value of the warrants granted in conjunction with the issuance of convertible debentures were determined using the Black Scholes model. Estimates are required for inputs to this model including the fair value of the underlying shares, the expected life of the option, volatility, expected dividend yield, forfeiture rates and the risk-free interest rate. Variation in actual results for any of these inputs will result in a different value of the share option realized from the original estimate. The assumptions and estimates used are further outlined in the share capital note.

- ***Fair value of financial instruments***
  The individual fair values attributable to the different components of a financing transaction, notably loans and borrowings and convertible debentures are determined using valuation techniques. The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine the values attributable to each component of a transaction at the time of their issuance. When determining the discount rate used to estimate the fair value of government loans, the Company considers market conditions and other internal and external factors as well as third-party financing agreements entered into by the Company. In determining the fair value of the Health Technology Exchange loan, the Company uses judgment to estimate the future loan repayments based on projected future revenue. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

- ***Financial assets***

  On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income ('**FVOCI**''), or fair value through profit and loss ("**FVTPL**''). The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

  A financial asset is measured at amortized cost if it is not designated as at FVTPL; it is held within a business model whose objective is to hold assets to collect contractual cash flows; and, its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

  The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	Subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	Subsequently measured at amortized cost using the effective interest method, less any impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred.

- ***Financial liabilities***

  The Company initially recognizes financial liabilities at fair value on the date at which the Company becomes a party to the contractual provisions of the instrument.

  The Company classifies its financial liabilities as either financial liabilities at FVTPL or amortized cost.

  Subsequent to initial recognition, other liabilities are measured at amortized cost using the effective interest method. Financial liabilities at FVTPL are stated at fair value with changes being recognized in profit or loss.

  The Company derecognizes financial liability when its contractual obligations are discharged or cancelled or expire.

- ***Financial liabilities and equity instruments***

  - Classification as debt or equity
    Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.
  - Equity instruments
    An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue cost.

  The repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

- ***Classification of financial instruments***

  The Company classifies its financial assets and liabilities depending on the purpose for which the financial instruments were acquired, their characteristics and management intent as outlined below:

  Classifications

Cash and cash equivalents	Amortized cost
Trade and other receivables, excluding HST	Amortized cost
Trade and other payables, excluding HST	Amortized cost
Lease obligations	Amortized cost
FEDA and CEBA Government loans	Amortized cost
HTE Government loan	FVTPL

- ***Impairment of financial assets***

  An expected credit loss ("**ECL**") model applies to financial assets measured at amortized cost. The Company's financial assets measured at amortized cost and subject to the ECL model consist primarily of trade receivables. The Company applies the simplified approach to impairment for trade and other receivables by recognizing lifetime expected losses on initial recognition through both the analysis of historical defaults and a reassessment of counterparty credit risk in revenue contracts on an annual basis.

Financial Risk Factors

The Company's business is subject to certain risks, including but not restricted to risks related to: market risk for securities, future financing risks; going-concern risks; global economy risks; use of proceeds risks; volatility of the Company's share price following a listing on a public exchange and the lack of trading history for the Common Shares; increased costs of being a publicly traded company; limited operating history in an evolving industry and history of losses; lack of brand development; expectations with respect to advancement in technologies; currency fluctuations; interest rates; taxes on the Company and its products; liabilities that are uninsured or uninsurable; economic conditions, dependence on management and conflicts of interest; intellectual property rights; attracting and retaining quality employees; key personnel risk; management of growth; product and services development; expansion risk; breach of confidential information; competition within the technology industry; corporate matters; issuance of debt; third party credit; short term investments; shares reserved for issuance; credit risk; liquidity risk; interest rate risk; and described from time to time in the Company's documents filed with Canadian securities regulatory authorities; and other factors beyond the Company's control.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including interest rate risk, and foreign exchange rate risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from deposits with banks and outstanding receivables. The Company trades only with recognized, creditworthy third parties. The Company performs credit checks for all customers who wish to trade on credit terms.

The Company does not hold any collateral as security but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Credit loss impairment is determined based upon review of specific accounts as the Company does not have significant historical uncollectable receivables. As of December 31, 2023, the Company had $5,164 in overdue trade receivables (December 31, 2022 - $1,863).

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they come due. The Company's exposure to liquidity risk is dependent on the Company's ability to raise additional financing to meet its commitments and sustain operations. The Company mitigates liquidity risk by management of working capital, cash flows, the issuance of share capital and if desired, the issuance of debt. The Company's trade and other payables are all due within twelve months from the date of these financial statements.

If unanticipated events occur that impact the Company's ability to meet its forecast and continue to fund customer acquisition cost, research and development, and administrative requirements, the Company may need to take additional measures to increase its liquidity and capital resources, including obtaining additional debt or equity financing or strategically altering the business forecast and plan. In this case, there is no guarantee that the Company will obtain satisfactory financing terms or adequate financing. Failure to obtain adequate financing on satisfactory terms could have a material adverse effect on the Company's results of operations or financial condition.

The Company is obligated to the following contractual maturities of undiscounted cash flows as at December 31, 2023:

	Payments Due			
	Less than 1 year	2 - 3 years	After 3 years	Total
Trade and other payables	$ 968,117	$ -	$ -	$ 968,117
Lease obligation	6,253	-	-	6,253
Government loans (undiscounted)	449,258	-	$ -	449,258
	$ 1,423,628	$ -	$ -	$ 1,423,628

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk:

- **Foreign currency risk** arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company's primary exposure with respect to foreign currencies is from United States dollar denominated cash, trade and other receivables, and trade and other payables. A 1% change in the foreign exchange rates would result in a $1,731 impact to the financial statements (December 31, 2022 - $248).

- **Interest rate risk** is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as at December 31, 2023, because all of its indebtedness is at fixed rates.

- **Other price risk** is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risk as at December 31, 2023.

Fair values

The carrying values of cash, trade and other receivables excluding HST, trade and other payables excluding HST and lease obligations are considered representative of their respective fair values due to the short-term period to maturity. The convertible debentures, deferred payment agreement and FEDA and CEBA Government loans approximate their fair value as the interest and discount rates are consistent with the current rates offered by the Company for its loans with similar terms. The Company does not use derivative financial instruments to manage this risk.

Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The Company categorizes its fair value measurements according to a three-level hierarchy. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest-level input significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are defined as follows:

- **Level 1** – Unadjusted quoted prices as at the measurement date for identical assets or liabilities in active markets.

- **Level 2** – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

- **Level 3** – Significant unobservable inputs that are supported by little or no market activity. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. During the period, there were no transfers of amounts between levels. The fair value of the derivative and warrant liabilities and HTE government loan are determined using level 3 inputs.

	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
HTC government loan	Discounted cash flows (note 11)	- Discount rate - Expected timing of repayments based on revenue forecast	An increase revenue growth or decrease in discount rate would increase the fair value of the HTC government loan.

Capital Management

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives, including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- To maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on a regular basis.

The Company considers its capital to be equity, comprising share capital, contributed surplus, and deficit, which on December 31, 2023, totaled a deficiency of $919,780 (December 31, 2022 – deficiency of $925,339). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Information is provided to the Board of Directors of the Company. The Company is not constrained by externally imposed capital requirements. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2022 and the year ended December 31, 2023.

Commitments and Contingencies

The Company is in default of its unsecured obligations to its former legal firm (and the Federal Development Agency, for which it does not have the funds to repay. As of December 31, 2023, the Company’s only foreseeable option to settle these $1,134,909 of obligations is to issue Company securities. Otherwise, the creditors might be inclined to commence legal proceedings. These obligations are an impediment to the Company’s ability to complete future financings, which creates a material uncertainty and a going concern risk for the Company.

Of the Company’s existing outstanding options, 260,000 options with a Black Scholes value of $170,189 and an expiry date of May 17, 2033 will vest and be recognized at such time as the Option Holder successfully introduces an acquisition to the Company, as specified in the respective contract.

The Company has recorded its obligation to HTX equal to a one dollar ($1) contingency for the risk that the $378,059 contingent forgiveness might be reversed. The one-dollar contingency is based on the unlikely probability that the Company's MyndMove product revenues will exceed $1,000,000 in the twelve-month period ended May 29, 2024.

On August 29, 2012, the Company entered into an agreement with a health services institution whereby it granted the Company an exclusive worldwide license to commercialize certain intellectual property related to a functional electrical stimulation device and system; for which the Institution received 400,000 of the Company's common shares, with a fair value of $400,000. In addition, the Company is committed to paying a cumulative royalty on the net sales of stimulators used to treat motor dysfunction, as follows:

- 0% on the first $1,000,000 cumulative net sales;
- 4% on the cumulative net sales exceeding $1,000,000 but not greater than $7,500,000; and,
- 1% on the cumulative net sales exceeding $7,500,000.

The amount of these fees for the years ended December 31, 2023 and 2022 are disclosed in Note 13.

The Company's lease commitments are disclosed in Note 6 of the financial statements.

Related Party Transactions

A summary of the Company's related party transactions follows:

	December 31 2023	December 31 2022
Revenue during the year ended		
Treatment revenues	$ -	$ 60,610
Sale of devices and parts	8,125	54,897
	$ 8,125	$ 115,507
Expenses during the year ended		
Share-based compensation for directors and senior officers	$ 53,720	$ 97,667
Salaries, fees and benefits for directors and senior officers	386,285	551,613
License fees	4,642	9,538
	$ 444,646	$ 658,818
Assets - as at the date specified		
Accounts receivable	$ 5,360	$ 19,312
Liabilities - as at the date specified		
Due to director for pre-2020 compensation (note 8)	$ -	$ 75,000
License fees and expenses payable	$ 96,759	$ 9,538
Deferred revenue	$ 51,000	$ 68,000

During the year ended December 31, 2022, the Company recognized treatment revenues and/or device sales revenues from LBB Applied Technology Inc., a significant shareholder of the Company. These transactions were made in the normal course of business.

The Company has a shareholder and director, who is employed by the KITE Research Institute at the University Health Network (UHN) in Toronto, Canada (KITE), an Institution over which he has significant influence and to which the Company is committed to a long-term license agreement, requiring the semi-annual payment of royalty fees. As well, the Company has entered into contracts with UHN to sell MyndMove devices, modified for research purposes; and, to purchase research and development (R&D) services. On August 11, 2023, the Company completed a debt settlement agreement with Dr. Milos Popovic, a current Director and formerly an interim Chief Executive Officer (CEO) of MyndTec, for him to forgive an outstanding debt due to him by the Company in the amount of $75,000. The debt was related to compensation due to him for services provided as interim CEO in 2017.

$517,200 of the $572,200 in private placement funds raised in January 2023 and all of $372,080 raised in May 2023, was from two significant shareholders, one of whom is a director. $1,807,500 of the $2,954,302 in private placement funds raised in 2022, was from directors, officers and a significant shareholder.

Related party share-based compensation for the year ending December 31, 2023, includes $48,737 for Craig Leon, Director and Chief Executive Officer (2022 - $91,182); $nil for Ron Kurtz, former Vice President Engineering (2022 - $6,485); and, $4,983 for other Directors (2022 - $nil).

Related party salaries and fees for year ending December 31, 2023, includes $268,733 for Craig Leon, Director and Chief Executive Officer (2022 - $266,388); $37,401 for Ron Kurtz, former Vice President Engineering (2022 - $181,912); $66,150 for Scott Franklin, Chief Financial Officer (2022 - $79,313); and, $14,000 for other Directors (2022 - $24,000).

Risks and Uncertainties

Operations of the Company

The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the Company to develop its business. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further research and development of its products, creating possible obsolescence thereof. The Company will require new capital to continue to operate its business, and there is no assurance that capital will be available when needed, if at all. If such additional capital is raised through the issuance of additional equity, it may result in dilution to the Company's shareholders.

The operations of the Company may require licenses and permits from various local, provincial and federal governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out development of its business or operations.

The Company does not have a historical track record of operating upon which investors may rely. Consequently, investors will have to rely on the expertise of the Company's management. The Company does not have a history of earnings or the provision of return on investment, and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

Directors and Officers

Certain directors or proposed directors of the Company are also directors, officers or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Competitive Conditions

The markets for the Company's products are competitive and rapidly changing, and a number of companies offer products similar to the Company's products and target similar customers. The Company believes its ability to compete depends upon many factors within and outside its control, including the timely development and introduction of new products and product enhancements; product functionality, performance, price and reliability; customer service and support; sales and marketing efforts; and the introduction of new products and services by competitors.

Potential Dilution

The issue of common shares of the Company upon the exercise of the options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's current shareholders could also be diluted.

Current Global Financial Conditions and Trends

Securities of technology companies in public markets have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in Canada and globally, and market perceptions of the attractiveness of particular industries. The price of the securities of Companies in the technology sector are also significantly affected by proposed and newly enacted laws and regulations, currency exchange fluctuation and the political environment in the local, provincial and federal jurisdictions in which the Company does business. The economy remains in a period of volatility, primarily driven by the worldwide impact of COVID-19 and an uncertain socioeconomic and political climate in the United States. Significant volatility is expected in the near to mid-term, the potential impact of which upon the Company is unknown at this time.

Management's Responsibility for Financial Information

The Company's financial statements are the responsibility of the Company's management and have been approved by the Board of Directors. The financial statements were prepared by the Company's management in accordance with IFRS. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

Forward Looking Statements

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities laws (forward-looking information being collectively hereinafter referred to as "forward-looking statements"). Such forward-looking statements are based on expectations, estimates and projections as at the date of this MD&A. Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often but not always using phrases such as "expects", "is expected", "anticipates", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends", or variations of such words and phrases (including negative and grammatical variations), or stating that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements and are intended to identify forward-looking statements.

These forward-looking statements include, but are not limited to, statements and information concerning: the intentions, plans and future actions of the Company; statements relating to the business and future activities of the Company after the date of this MD&A; market position, ability to compete and future financial or operating performance of the Company after the date of this MD&A; anticipated developments in operations of the Company; the timing and amount of funding required to execute the Company's business plans; capital expenditures; the effect on the Company of any changes to existing or new legislation or policy or government regulation; the length of time required to obtain permits, certifications and approvals; the availability of labour; estimated budgets; currency fluctuations; requirements for additional capital; limitations on insurance coverage; the timing and possible outcome of litigation in future periods; the timing and possible outcome of regulatory and permitting matters; goals; strategies; future growth; the adequacy of financial resources; and other events or conditions that may occur in the future.

Forward-looking statements are based on the beliefs of the Company's management, as well as on assumptions, which such management believes to be reasonable based on information available at the time such statements were made. However, by their nature, forward-looking statements are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Certain assumptions in respect of the Company's ability to recruit and retain key talent, ability to execute on growth strategies, the impact of competition, changes in trends in the Company's industry or macroeconomic conditions, including the ongoing impacts of the COVID-19 pandemic, and any changes in laws, rules, regulations, and global standards are material assumptions made in preparing forward-looking information and management's expectations.

Forward-looking statements are subject to a variety of risks, uncertainties and other factors which could cause actual results, performance or achievements to differ from those expressed or implied by the forward-looking statements, including, without limitation, related to the following: operational risks; regulation and permitting; evolving markets; industry growth; uncertainty of new business models; speed of introduction of products and services to the marketplace; undetected flaws; risks of operation in urban areas; marketing risks; geographical expansion; limited operating history; substantial capital requirements; history of losses; reliance on management and key employees; management of growth; risk associated with foreign operations in other countries; risks associated with acquisitions; electronic communication security risks; insurance coverage; tax risk; currency fluctuations; conflicts of interest; competitive markets; uncertainty and adverse changes in the economy; reliance on components and raw materials; change in technology; quality of products and services; maintenance of technology infrastructure; privacy protection; development costs; product defects; insufficient research and development funding; uncertainty related to exportation; legal proceedings; reliance on business partners; protection of intellectual property rights; infringement by the Company of intellectual property rights; resale of shares; market for securities; dividends; and, global financial conditions.

The risk factors set out in this MD&A or in the Company's other public disclosure documents are not exhaustive of the factors that may affect any forward-looking statements of the Company. Forward-looking statements are statements about the future and are inherently uncertain. Actual results could differ materially from those projected in the forward-looking statements as a result of the matters set out in this MD&A generally and certain economic and business factors, some of which may be beyond the control of the Company. In addition, the global financial and credit markets have experienced significant debt and equity market and commodity price volatility which could have a particularly significant, detrimental and unpredictable effect on forward-looking statements. The Company does not intend, and does not assume any obligation, to update any forward-looking statements, other than as required by applicable law. For all of these reasons, the Company's securityholders should not place undue reliance on forward-looking statements. Any financial outlook or future-oriented financial information in this MD&A, as defined by applicable securities laws, has been approved by the management of the Company.

Such financial outlook or future-oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future of the Company. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

Additional Information

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca