MyndTec Inc.
Management's Discussion and Analysis (MD&A) for the Nine-month Period and Quarter Ended September 30, 2024 (in Canadian Dollars, unless otherwise indicated)

Dated: November 19, 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 nine-month period ended September 30, 2024. 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 unaudited interim consolidated financial statements of the Company for the nine-month period ended September 30, 2024 and 2023 (the "financial statements"), together with the notes thereto. Information contained herein is presented as at November 19, 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 revenue or attain profitable operations in the near future, as it incurred a net and comprehensive loss of $924,740 and had a negative cash flow from operating activities of $707,822 for the nine-month period ended September 30, 2024. As at September 30, 2024, the Company was in default on a Federal Economic Development Agency ("**FEDA**") loan, with a principal balance of $437,641, and with respect to a claim by its former lawyer for $715,652 in fees.

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.

As at September 30, 2024, the Company was in default in respect of its FEDA loan payable, with a principal balance of $437,641 and a $550,000 deferred payment agreement obligation to its former law firm ("**Former Law Firm**"). The Company had a September 30, 2024 cash balance of $86,274, which covers less than two months of net operating expenses, even if there is no requirement to make payments in respect of the deferred payment agreement or FEDA loan.

The Company has accumulated $20,603,506 of losses as of September 30, 2024, 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, 7, 10 and 18 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.

Corporate Strategy; Technology and Product Overview

The Company is committed to the development and commercialization of innovative neurotechnology products designed to enhance function, foster independence, and improve the quality of life for individuals affected by neurological disorders, chronic pain, and central nervous system injuries, including conditions resulting from stroke and spinal cord injury (SCI). By leveraging advanced neuroimaging, neuromodulation, and regenerative therapies, the Company is seeking to address both invasive and non-invasive therapeutic needs, specifically targeting large and expanding global patient populations.

Recognizing the gap in predictive healthcare solutions, the Company's strategic plan is to integrate AI-enabled technologies to deliver data-driven, predictive insights that may significantly improve patient outcomes. By embedding and leveraging these advanced technologies with neuroimaging, neuromodulation, and regenerative therapies, the Company aims to optimize resource use at the individual, corporate, and healthcare system levels, ultimately enhancing patient care, streamlining decision-making, and maximizing the efficiency of healthcare delivery.

By investing in research and development efforts to enhance its existing products, exploring new applications of functional electrical stimulation ("**FES**"), and driving technological innovation in neurotechnology, 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 and disorders such as Parkinson's disease, Alzheimer's disease, amyotrophic lateral sclerosis (ALS) and pain management. 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 and disorders, such as for Parkinson's disease, Major Depressive Disorder (**"MDD"**), Alzheimer's disease and pain management.
- 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.

Neuromodulation – MyndMove™

The Company has developed and is presently commercializing the MyndMove system ("**MyndMove**"), a patented functional electrical stimulation ("**FES**") that leverages proprietary treatment protocols that integrate neuro stimulation with a cloud-connected database. The MyndMove system was developed to apply advanced principles of neuroplasticity and FES to assist patients with paralysis of the arm, hand and lower limb to make lasting gains in the recovery of natural, voluntary movement. 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, Ontario provide dedicated customer service and access to its technical service personnel and clinical consult.

MyndMove is cleared by the U.S. Food and Drug Administration ("**FDA**") and licensed by Health Canada ("**Health Canada**") for the treatment of upper body paralysis for stroke and spinal cord injury patients. In July 2024, Health Canada approved the expanded use of the MyndMove system for therapy on lower limbs, which the Company believes represents an enhancement in neurorehabilitation, offering enhanced recovery potential for individuals with lower limb impairments in Canada.

MyndMove is indicated for the following uses[1]:

FDA-Cleared Indication[2]	**Health Canada-licensed Indication[3]**
FES	
• Improvement of arm and hand function and active range of motion in stroke and SCI patients with hemiplegia due to stroke or upper limb paralysis resulting from C3-T1 spinal cord injury.	
Neuromuscular Electrical Stimulation ("**NMES**") for general rehabilitation for:	
• maintenance and/or increase of **arm and hand** range of motion,	• maintenance and/or increase of range of motion
• prevention and/or retardation of disuse atrophy,	
• increase in local blood circulation,	
• reduction in muscle spasm, and	
• re-education of muscles.	
MyndMove can only be administered by Occupational or Physical Therapy professionals that have completed MyndMove training by MyndTec on the use of the MyndMove system.	

In addition to the recent Health Canada approval for the expanded use of the MyndMove system, the Company is continuing to develop additional applications designed to address a broader scope of paralysis and is seeking clearance for the addition of lower extremity to the MyndMove therapy protocol library in United States.

The Company discontinued the distribution of the MyndStep system, a FES device for use in restoring lower limb function, in Canada and the United States eeffective November 1, 2024. The Company made the decision to discontinue the MyndStep system after consideration of the increasing challenges related to the regulatory and the financial burden in connection with supplier oversight and in view of the MyndMove system's expanded indication (initially in Canada). Consequently, the Company reports a $23,204 obsolescence expense in the ten-month period ended October 31, 2024. In view of the MyndMove system, including its recent expanded indication for lower limb function in Canada, and its efforts on advancing innovative neuroimaging, neuromodulation and regenerative technologies, the Company does not view the discontinuation of the MyndStep system as having a material impact to its business.

Competitive Overview

The MyndMove system faces competition from established and start-up medical device companies 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. Some of these companies include:

- Bioventus LLC (including the H200 Wireless Hand Rehabilitation and L300 Go Foot Drop Systems)

[1] In addition to being available in the U.S. and Canada, MyndMove is available in Malaysia under Registration GB8907023-128917

[2] Commercially available in the U.S. under 510(k) Nos. K170564 and K212149

[3] Marketed in Canada under medical device licenses 93158 and 106501

- Restorative Therapies, Inc. (including the RT300 FES systems and the Xcite Clinical Stations)
- Odstock Medical Limited (including the Odstock Dropped Foot Stimulator Pace)
- Medtronic PLC (including FES systems as part of their neuromodulation portfolio)
- AxioBionics, LLC (including the Walkaide FES system)
- Ottobock SE & Co. KGaA and Shenzen XFT Medical Limited

Other institutes working on FES research include:

- The Cleveland FES Center, a collaborative research consortium that develops, advances and evaluates FES technologies for various applications, including rehabilitation.
- Tecnalia, a research and technology organization that collaborates with industry partners and academic institutions to advance the development of FES systems for rehabilitation.
- University of Miami's The Miami Project to Cure Paralysis focused on spinal cord injury and paralysis, with significant research dedicated to FES for restoring movement and function.
- National Rehabilitation Hospital's FES and Neuromodulation Laboratory focused on developing FES-based interventions for rehabilitation, with particular emphasis on individuals with spinal cord injuries and stroke.
- The Cleveland FES Center, a leader in FES research, focusing on developing FES technologies to restore function in individuals with neurological impairments.

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 is determined by the device's level of risk and bringing these non-invasive devices to market involves prior regulatory clearance in respective markets. 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, MyndMove is considered a Class II device in the U.S. and Canada. MyndTec has received regulatory clearance for MyndMove in the U.S. and in Canada.

The Company recently received an updated license from Health Canada for the expanded indication for use for MyndMove to treat lower extremity to complement the original upper extremity indications. The Company believes this addition to the MyndMove therapy protocol library will provide patients with more rehabilitation options in a single device, while enabling Canadian 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 competing providers of lower limb stimulation devices. For the U.S., the Company is evaluating a 510(k) submission to the FDA to further expand the current indication for upper extremity protocols indication to include lower extremity.

Both the FDA and Health Canada 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.

Market Overview – Stroke and SCI

Each year, over 795,000 individuals in the U.S. experience a stroke[7], which stands as the primary cause of significant, long-term disability and decreased mobility. 87% of these strokes are ischemic and 13% hemorrhagic[6,7]. The hemorrhagic stroke occurs when an artery in the brain leaks blood, and ischemic stroke, when blood clots block the blood vessels[6,7]. The financial toll of strokes in the U.S., which accounts for 44.19% of the global FES market share[4],[7] 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 US$9.0 billion in 2023 and is forecasted to expand at a Compound Annual Growth Rate (CAGR) of 4.6% from 2023 to 2032, potentially reaching US$66.41 billion by 2032. Specifically, the global market for Acute Ischemic Stroke Therapeutics is anticipated to escalate from US$9 million to US$14 billion by 2032[5].

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 Cognitive Market Research. (2024). Functional electrical stimulation (FES) device market report. Cognitive Market Research. Retrieved from: https://www.cognitivemarketresearch.com/functional-electrical-stimulation-device-fes-market-report

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[4]. 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%[8]. The musculoskeletal disorders treatment market size is approximately 326 billion. The U.S. 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 *treatment fees*, from treatment clinics that use the Company's MyndMove devices.

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.

MyndTec AI and Neuroimaging

The Company is adopting artificial intelligence ("**AI**") into brain imaging and neuroimaging development to enhance diagnostic accuracy, streamline analysis, and enable predictive insights. The Company aims to develop its AI platform ("**MyndTec AI**") as one tool in its ongoing research to understand the complexities of the brain and to develop innovative treatments for neurological conditions. The Company is initially focused on the development of multimodal brain mapping and machine learning systems to enhance diagnostic accuracy and generate personalized treatment recommendations for neurological disorders. By integrating data from multiple neuroimaging modalities including MRI, fMRI, DTI, EEG, MEG, PET, along with neuromodulation devices, and wearables, the Company aims to develop technology to capture a comprehensive view of brain structure and function, which may allow for the faster and more accurate identification of neurological abnormalities associated with conditions like Alzheimer's, Parkinson's and epilepsy. The Company has recently filed a provisional patent in the U.S. directed at this technology, key components of which include:

1. Multimodal Data Integration: Aggregates diverse imaging and device data.
2. Voxel and Supervoxel Analysis: Enables high-resolution segmentation and pattern identification.
3. Machine Learning Models: Correlate brain patterns with clinical symptoms for precise recommendations.
4. Continuous Learning: Updates models with new patient data to refine accuracy.
5. Scalability: Adapts to diverse neurological conditions and data types.

The Company believes that this approach may allow for early, customized treatment recommendations, predict disease progression, and develop tailored treatment strategies, addressing gaps in personalized neurological care and optimizing resources across individual, corporate, and healthcare system levels.

Whether the Company is ultimately successful in its exploration and any implementation of MyndTec AI, is dependent on numerous factors, including the Company's ability to continue to finance the business through equity and/or debt capital raising, its ability to attract and retain key talent, and its ability to create a value-added product or technology differentiation that would be well received by the market. There are numerous companies seeking to include artificial intelligence and there is no guarantee that the Company's endeavors in this area will be successful.

On November 11, 2024, the Company entered into an exclusive license agreement with Albany Medical College **("AMC License")** for technology related to a machine learning-based decision support system for spinal cord stimulation ("**SCS**") for the treatment of pain which is the subject of pending U.S. Patent Application No. 18/566,695 (Publication No. US 2024/0282459).

With the licensing of this technology, the Company initially aims to develop its MyndTec AI platform and adopt advanced machine learning and multimodal data integration to enhance its diagnostic and therapeutic offerings in neurological and chronic pain care, specifically, the implementation of a machine learning-based decision support system to improve outcomes in spinal cord stimulation (SCS) for chronic pain management. This system would integrate key components as described, including:

1. Multimodal Data Integration: Aggregate diverse patient data, such as demographics, pain descriptors, psychiatric history, imaging, and previous SCS outcomes.
2. Patient Clustering and Feature Optimization: Cluster patients by profiles using critical features to enhance prediction accuracy, focusing on influential attributes.
3. Predictive Machine Learning Models: Utilize algorithms like logistic regression and random forests to predict SCS treatment success.
4. Dynamic, Web-Based Platform: Continuously update with new patient data, refining accuracy in real-time.
5. Clinical Decision Support: Provide standardized, evidence-based guidance to clinicians for personalized patient selection, treatment planning, and cost management.

This system aims to address the variability in SCS success rates, reduce ineffective treatments, and improve patient outcomes, aligning with the Company's goal to optimize healthcare resources and personalize neurological care.

Chronic pain affects nearly 50 million Americans, substantially impacting quality of life and productivity[9]. Traditional pain management approaches, often centered on opioid use, provide only temporary relief and carry significant risks of dependency and adverse effects. As a minimally invasive, FDA-approved treatment, SCS offers a promising non-pharmacological alternative, particularly for conditions like back, neck, and neuropathic pain. In the context of the opioid crisis, SCS provides an essential option for pain management without the associated risks of medication[10]. However, SCS outcomes remain inconsistent, with about 30% of patients not experiencing optimal relief due to challenges in patient selection and treatment customization. Nearly 50% of patients experience suboptimal results within two years, with failure rates of around 25-30% and explant rates nearing 10%[11].

Currently, neurorehabilitation practices for spinal cord injuries and other motor impairments heavily rely on subjective assessments by therapists, who evaluate patient progress through observational and manual testing. This reliance on subjective interpretation can lead to variability in treatment recommendations and outcomes, slowing down the rehabilitation process and reducing the precision necessary for optimal recovery[12,13]. Without predictive technologies, treatment lacks the ability to accurately forecast patient progress, limiting the effectiveness of tailored interventions[14]. Integrating predictive systems could allow for more personalized and timely rehabilitation, enhancing recovery prospects and ensuring consistency across therapists and treatment settings[15] Predictive technologies like brain-computer interfaces and FES offer transformative potential in rehabilitation by providing objective, real-time data to guide interventions, addressing gaps in consistency and treatment efficacy[16].

The neurostimulation devices market, which includes SCS, is projected to reach US$13.3 billion by 2025, growing at an 11% annual rate due to the rising demand for non-opioid pain management solutions. As SCS continues to grow, innovations in machine learning and data analytics present a major market opportunity, addressing the unmet need for better patient-specific outcomes. In addition, the global AI in healthcare market is expected to exceed $45 billion by 2026, as data-driven decision support systems become integral to personalized care, improving treatment accuracy by 30-40%[17].

9. Centers for Disease Control and Prevention. (2020). Chronic pain and high-impact chronic pain among U.S. adults. Retrieved from https://www.cdc.gov

10. Grand View Research. (2024). Spinal cord stimulation market size, share & trends analysis report by product (rechargeable, non-rechargeable), by application (chronic pain, failed back surgery syndrome), by end-use, by region, and segment forecasts, 2024–2030. Grand View Research. Retrieved from ht. tps://www.grandviewresearch.com/

11 Deer, T. R., Mekhail, N., Provenzano, D., Pope, J. E., Krames, E. S., Leong, M., & Levy, R. M. (2019). The appropriate use of neurostimulation: New guidance on patient selection and care. *Pain Medicine, 20*(S1), S3–S111. https://doi.org/10.1093/pm/pnz085

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13. Morone, G., & Paolucci, S. (2010). Robot-assisted therapy in stroke rehabilitation: A review. NeuroRehabilitation, 27(4), 287–294. https://doi.org/10.3233/NRE-2010-0612

14. Anderson, K. D., Fridén, J., & Lieber, R. L. (2012). Quantitative analysis of functional outcome measures in the spinal cord injured population: Summary of issues and the need for a cohesive outcome tool. Spinal Cord, 50(8), 601–611. https://doi.org/10.1038/sc.2012.27

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16. Daly, J. J., & Wolpaw, J. R. (2008). Brain–computer interfaces in neurological rehabilitation. *The Lancet Neurology, 7*(11), 1032–1043. https://doi.org/10.1016/S1474-4422(08)70223-0

17. Mordor Intelligence. (2024). *AI in healthcare market - Growth, trends, COVID-19 impact, and forecasts (2024–2026)*. Mordor Intelligence. Retrieved from https://www.mordorintelligence.com/

NeuroRegeneration

The Company has entered into an exclusive licensing agreement with the University of Toronto ("**U of T**") to advance the development of neuroregenerative technology that uses biphasic electrical stimulation of the migration of neural progenitor cells ("**NPCs**") to damaged brain areas to promote neural regeneration and cell migration for stroke, brain and spinal cord injuries and degenerative conditions such as Parkinson's and Alzheimer's diseases, to enable effective recovery in patients with these neurological impairments. U of T retains rights to use the technology for research and educational purposes.

Initial research at the U of T established the foundation for this technology by demonstrating that biphasic electrical stimulation can precisely guide the migration of neural progenitor cells (NPCs) in the brains of adult mice. This groundbreaking work showed that by carefully tuning the electrical signals, researchers could effectively steer NPCs towards a desired location. Further investigation revealed the critical role of calcium signaling in regulating both the speed and direction of NPC migration in response to these electrical cues. Importantly, this approach was validated in living mouse brains, proving that targeted electrical stimulation could successfully modulate NPC migration within the complex environment of the brain, even amidst its natural electrical activity.

Building on the proof of concept, pre-clinical studies expanded the understanding and potential of this technology. Researchers confirmed that human NPCs, derived from reprogrammed cells, also exhibit directed migration in response to electrical fields, paving the way for clinical translation. Furthermore, studies in living animals revealed that targeted electrical stimulation not only influences NPC migration but also affects their ability to multiply and specialize into different types of brain cells. This finding broadened the potential therapeutic applications, suggesting that this approach could enhance the brain's natural repair mechanisms and contribute to the regeneration of lost neurons in Parkinson's disease.
The Company is currently working in the development of a transformative approach to treating Parkinson's disease, a condition marked by the degeneration of dopamine-producing neurons. Traditional treatments, including medications and deep brain stimulation (DBS), focus on managing symptoms without preventing disease progression. The potential regenerative new technology may address this gap by aiming to regenerate lost neurons and restore brain function using a blend of NPCs — the brain's own repair agents, advanced neuroimaging modalities (MRI, fMRI, DTI), AI to forecast NPC behavior, and targeted electrical stimulation to direct NPCs to damaged regions. This proposed solution involves detailed brain mapping through imaging, which AI algorithms would analyze to guide NPCs, and the use of DBS systems to deliver targeted stimulation, minimizing the need for additional surgical intervention. The benefits of this innovative technology may include its potential to modify Parkinson's disease progression at a neuronal level, provide tailored treatment, and reduce invasive procedures. With a broad market potential for other neurological

disorders, this new approach not only offers a potential new paradigm in Parkinson's disease management but also holds promise for improving the lives of millions.

The Company believes the development of this technology will encompass two key components:
BiPhasic Stimulation:

- Waveform optimization: Developing and refining biphasic stimulation waveforms to maximize therapeutic effects and minimize side effects.
- Personalized parameters: Using patient-specific data and machine learning to optimize biphasic stimulation parameters for individual needs.
- Closed-loop control: Exploring the potential for closed-loop control of biphasic stimulation based on real-time feedback.

Predictive Imaging and Biomarker Analysis

- Predictive modeling: Developing machine learning models that can analyze imaging data (fMRI, structural MRI, etc.) to predict treatment outcomes and guide personalized therapy.
- Biomarker identification: Identifying imaging biomarkers that are predictive of treatment response or disease progression.
- Multimodal integration: Integrating imaging data with other modalities (clinical data, wearables) to enhance predictive accuracy.

Pre-Clinical Study for Parkinson's Disease: AAV Synuclein Model Overview

Prior to further development of this technology, the Company anticipates initially proceeding with an AAV Synuclein Model, a preclinical mouse model of Parkinson's disease, that mimics disrupted alpha-synuclein protein accumulation, a hallmark of Parkinson's pathology. This model is instrumental in testing therapies targeting Parkinson's morphology, including biphasic stimulation, and allows for specific staining to monitor NPC migration into affected areas.

Key advantages include:

1. Disease Relevance: By replicating disrupted alpha-synuclein accumulation, this model provides a controlled, reproducible setting for studying neurodegeneration mechanisms specific to Parkinson's disease.
2. Therapeutic Testing: The AAV Synuclein Model enables the testing of new therapies, such as biphasic stimulation and neuroprotective drugs, to assess their effects on Parkinson's-like pathology and motor impairments, focusing on morphology-specific outcomes.
3. Efficiency: With a quicker disease onset compared to traditional transgenic models, this model allows studies to potentially complete in about 10–12 weeks, significantly accelerating research timelines.
4. Predictive Biomarkers: Imaging and molecular assays measure biomarkers like NPC migration and inflammatory responses, providing predictive insights into treatment outcomes and disease progression.
5. Comprehensive Assessments: Supports a broad range of behavioral and histological tests, including motor function analysis and staining for NPC migration, enhancing understanding of therapeutic impacts and recovery.

The AAV Synuclein Model is a valuable tool for advancing Parkinson's research, offering an efficient, flexible platform to develop and refine therapies aimed at mitigating neurodegeneration and improving patient outcomes.

However, while the AAV Synuclein Model provides a valuable framework for testing and refining treatments, its ongoing development is contingent on the availability of sufficient financial resources. The success of the model in advancing Parkinson's research depends on the Company's ability to secure funding to sustain research and development. Without adequate financing, there is a risk that the potential of this promising model could remain unrealized, limiting progress toward novel treatments aimed at neurodegeneration.

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	U.S. FDA regulatory submission 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	Q4 - 2024
3	First Phase of Development Program under the AMC License: Machine Learning-Based Decision Support System (ML-DSS) for SCS designed to enhance chronic pain treatment outcomes	Q2 -2025
4	Pre-clinical work for Parkinson's Disease	Q2 - 2025

Notes:

(1) The Company has received approval from Health Canada to expand the indications to include lower body stimulation in under the MyndMove system licenses. The Company plans to gather data towards a 510(k) submission with the FDA to include lower limb indications.

(2) On November 11, 2024, the Company announced a license agreement with Albany Medical College. The company continues to explore other suitable technologies for licensing, including those involving AI applications for advanced neurorehabilitation innovations.

(3) Develop Machine Learning models to determine which patients are most suitable for SCS. Additional phases of development program under the AMC License to follow.

(4) Complete AAV Synuclein Model to assist with Neuroregeneration program.

Intellectual Property, Licensing and Technology Development

Intellectual Property Strategy

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

- Patent Portfolio Development: Develop a robust portfolio of patents to protect the company's innovations in medical device technology, particularly in the fields of neuromodulation, neuroimaging, regenerative therapies and AI for neurological disorders.
- Patent Filing Strategy: Implement a proactive patent filing strategy to capture key innovations and protect valuable intellectual property assets.
- 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.
- 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.

Technology License – Diagnosis and Outcome Optimization

On November 11, 2024, the Company entered into an exclusive patent license agreement with Albany Medical College for a machine learning-based decision support system. The technology covered by the patent application developed by Dr. Julie Pilitsis and Dr. Amir Hadanny, is designed to improve clinical decision-making in SCS by predicting long-term patient outcomes, thus enabling more personalized treatments. Albany Medical College retains rights for research and academic use, while the Company has gained exclusive commercial rights in return for the payment of royalties and meeting development milestones.

Technology License – Neuroregeneration

On May 23, 2024, the Company announced it secured an exclusive license from the University of Toronto for technology and intellectual property related to the use of neurostimulation and cell migration aimed at neural tissue regeneration. This technology is focused on treating brain and spinal cord injuries, as well as central nervous system disorders such as Parkinson's disease, Alzheimer's disease, and stroke. As consideration for the license, the University will receive royalties on net sales, and the Company will cover certain patent costs. The University retains rights to use the technology for research and educational purposes.

The licensed technology utilizes biphasic electrical stimulation to promote the migration of neural progenitor cells (NPCs) to damaged brain areas, aiding in neural connection restoration. Pre-clinical tests have shown this method can influence NPC survival and migration, offering flexibility and potentially reducing risks compared to traditional stimulation methods. This licensed technology aligns with the Company's MyndMove™ technology, which has demonstrated success in improving post-stroke function but addresses an unmet need for reversing disabilities caused by neurological diseases.

Technology License – Repair of Neural Structural Damage

The Company has a license with the UHN directed at technology designed to treat neural structural damage caused by central nervous system diseases and which enables the control of user devices through brain signal analysis., The Company has recently enhanced its intellectual property portfolio through the issuance of U.S. patent no. 11,955,217. The granted patent aligns with the Company's strategic focus on neurological treatments, particularly in addressing conditions like stroke.

Significant Transactions and Business Highlights

2024 Financings

On February 13, March 19, May 27, June 24, and August 12, 2024, the Company completed five tranches of a non-brokered private placement announced on October 13, 2023 (the "**October 2023 Private Placement**") for a total of 907,014 units (collectively, "**Units**" and each a "**Unit**"), with its largest shareholder, at $0.75 per Unit, for total aggregate gross proceeds of 680,260. Each Unit was comprised of one common share (each, a "**Common Share**") in the capital of the Company and one Common Share purchase warrant (each, a "**Warrant**"), each exercisable to acquire one Common Share. The subscriber ultimately received 907,014 Common Shares of the Company and 907,014 Warrants to acquire Common Shares at an exercise price of $0.90. The Warrants expire three (3) years after the respective issue dates. Of the $637,290 in net proceeds, $202,227 was allocated to the value of the Warrants, based on a Black Scholes valuation of the warrants with an exercise price of $0.90; a weighted average estimated $0.50 value of Common Shares; a weighted-average volatility rate of 91.0%; an expected 3-year life for the warrants; and a weighted-average risk-free interest rate of 3.78%.

2023 Financings

On January 11 and May 23, 2023, the Company completed two private placements (the "**January 2023 Private Placement**" and "**May 2023 Private Placement**", respectively) for a total of 1,259,038 Units with its two largest shareholders, at $0.75 per Unit, for total aggregate gross proceeds of $944,280. On November 3 and December 20, 2023, the Company completed two tranches (the "**2023 Tranches**") of the October 2023 Private Placement for a total of 361,705 Units, with its largest shareholder, at $0.75 per Unit, for total aggregate gross proceeds to the Company of $271,279. Each Unit was comprised of one Common Share and one Warrant, each exercisable to acquire one Common Share.

In connection with the January 2023 Private Placement, May 2023 Private Placement and the 2023 Tranches of the October 2023 Private Placement, the subscribers ultimately received 1,620,743 Common Shares and 1,620,743 Warrants to acquire Common Shares at an exercise price of $0.90. The Warrants expire January 11, May 23, November 3 and December 20 of 2026, respectively. Of the $1,152,625 in net proceeds, $413,247 was allocated to the value of the Warrants, 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 Current Director

As of August 11, 2023, Dr. Milos 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 a former interim CEO in 2017.

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, after completing the condition that the Company's MyndMove product revenues do not exceed $1,000,000 in the twelve-month period ended May 29, 2024.

Events Occurring after the Reporting Date

Financing

On October 23, 2024, the Company closed a subscription offer for a non-brokered private placement, from an existing shareholder, of 183,550 Units, at $0.75 per Unit, for a total subscription price of $137,662. Each Unit is comprised of one common share and one warrant. The warrants have an exercise price of $0.90 per warrant and will expire three years after the closing date.

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 qualifies for limited cash refundable SR&ED credits from that date forward.

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**").

September 30, 2024 and 2023 and Annual December 31, 2023 Financial Information

	Nine Months Ending		Year Ended
	30-Sep-24	30-Sep-23	31-Dec-23
	$	$	$
Total assets	346,542	685,874	554,848
Current liabilities	1,475,696	1,505,215	1,440,628
Non-current liabilities	42,634	38,250	34,000
Working capital (deficit)	(1,237,880)	(1,012,617)	(1,004,619)
Revenue	98,278	115,906	137,312
Gross Margin	(3,533)	50,907	54,896
Expenses	921,207	1,408,477	1,778,226
Net loss	(924,740)	(1,357,570)	(1,723,330)
Net loss per share, basic and diluted	(0.04)	(0.06)	(0.07)

Annualized Summary of Quarterly Results for the twelve months ending September 30, 2024

	$'000				
	Quarterly				Annual
For the Period	December	March	June	September	September
Ended	2023	2024	2024	2024	2024
Total Assets	555	527	429	347	347
Revenue for the Period	21	69	18	12	120
Loss for the period	(365)	(293)	(336)	(296)	(1,290)
Loss per share	(0.02)	(0.01)	(0.01)	(0.01)	(0.05)

Annualized Summary of Quarterly Results for the twelve months ending September 30, 2023

	$'000				
	Quarterly				Annual
For the Period	December	March	June	September	September
Ended	2022	2023	2023	2023	2023
Total Assets	643	807	756	666	666
Revenue for the Period	67	38	22	56	183
Loss for the period	(513)	(380)	(895)	(83)	(1,871)
Loss per share	(0.03)	(0.02)	(0.03)	(0.00)	(0.08)

Three-month and six-month periods ended September 30, 2024 compared to the same period ended September 30, 2023 ("Comparable Period")

Statement of Comprehensive Loss

	September 30			
	Three Months Ended		Nine Months Ended	
	2024	2023	2024	2023
Revenue	**$ 11,956**	**$ 56,165**	**$ 98,278**	**$ 115,906**
Cost of sales	13,078	27,707	101,811	64,999
Gross margin	**(1,122)**	**28,458**	**(3,533)**	**50,907**
Expenses				
General and administration	179,557	122,622	567,348	532,040
Research and development	52,830	49,398	160,557	289,947
Quality and regulatory assurance	65,891	(5,702)	70,970	52,972
Selling and marketing	6,292	27,728	7,244	87,464
Share-based compensation	(17,678)	50,560	35,442	124,306
Interest and accretion expense	8,129	3,066	20,052	26,261
Depreciation and amortization	8,828	22,249	31,118	66,748
Changes in fair value	-	-	(1)	105,436
Public listing costs	10,123	15,686	47,770	297,451
Government grants and tax credits	(19,293)	(174,148)	(19,293)	(174,148)
Total operating expenses	294,679	111,459	921,207	1,408,477
Net and comprehensive loss	**$ (295,801)**	**$ (83,001)**	**$ (924,740)**	**$(1,357,570)**

Commentary respecting the nine-month period ended September 30, 2024

For the nine-month period ended September 30, 2024, the Company reported a net comprehensive loss of $924,740 compared to a net comprehensive loss of $1,357,570 for the comparable period, a decrease in net comprehensive loss of $432,830. This decreased in loss is due to a $129,390 decrease in research and development; a $80,220 decrease in selling and marketing; a $88,864 decrease in share-based compensation; a $6,209 decrease in interest and accretion expense; a $35,630 decrease in depreciation and amortization: a $105,437 decrease in changes in fair value expense; and a $249,681 decrease in public listing costs – offset by $54,440 of lower gross margin; a $35,308 increase in general and administration; a $17,998 increase in regulatory assurance expenses; and, a $154,855 decrease in Scientific Research & Experimental Development claim recoveries.

Year-to-date Revenue and Gross Margin

Revenue decreased $17,628 or 15.2%, due to a $16,100 decrease in treatment fees offset by a $1,528 decrease in product sales.

Gross margin decreased $54,440 from $50,907 in 2023 to a negative margin of $3,533 in 2024, due to a $23,204 obsolescence provision for MyndStep inventories; the $16,100 of lost treatment revenues; a $12,126 decrease in product margins; and $3,010 of other fixed costs

Year-to-date Operating Expenses

Total operating expenses decreased $487,270, or 34.6%, as noted above and in the following:

General and administrative expenses increased $35,308, from $532,040 to $567,348, including: a $75,000 prior year forgiveness of wages payable to a former interim CEO, who is currently a director; $5,805 of higher rent costs, which are offset by a reduction in amortization costs; and, a $16,016 write-off of a deposit for the purchase of MyndStep devices; - offset by $25,873 of lower accounting, legal and professional fees; a $31,545 decrease for insurance; and, $4,095 of other cost decreases.

Research and development expenses decreased $129,390, from $289,947 to $160,557, due $36,162 to the resignation of the Vice President, Engineering in 2023; $17,422 to lower patent fees; and, $76,806 to 2023 development charges from UHN.

Quality and regulatory assurance costs increased $17,998, from $52,972 to $70,970, due to higher costs related to the MyndStep device for external quality assurance audits.

Selling and marketing costs decreased $80,220, from $87,464 to $7,244, due to the resignation of the Marketing Director and the elimination of the Company's sales database in 2023.

Non-cash share-based compensation expense decreased $88,864, from $124,306 to $35,442, due to contractor options issued in 2023.

The increase in interest and accretion expenses relates primarily to an increase in 2024 accretion expense on government loans, offset by 2023 short term interest expense accrued for the Former Law Firm.

Depreciation and amortization decreased $35,630, from $66,748 to $31,118 - $31,738 for lower depreciation related to a significant portion of the Company's treatment devices becoming fully depreciated in 2023 and $3,892 to lower lease cost amortization.

Changes in fair value expense is related to the Health Technology Exchange ("**HTX**") loan that was settled in June 2023 and confirmed on May 29, 2024.

Public listing costs decreased $249,681, from $297,451 to $47,770, due to a $255,992 penalty payment accrued for the Former Law Firm in 2023 – offset by other increases of $6,311.

During the nine-month period ended September 30, 2024, the Company received and recorded $19,293 of Ontario SR&ED claims, related to the annual December 31, 2023 tax period (nine-month period ended September 30, 2023 - $174,148 of Federal and Ontario SR&ED claims, related to the stub February 15, 2022 and annual December 31, 2021 tax periods). The Company did not have any recoverable SR&ED expenditures for the February 15, 2022 to December 31, 2022 tax period.

Commentary respecting the three-month period ended September 30, 2024

For the three-month period ended September 30, 2024, the Company reported a net comprehensive loss of $295,801 compared to a net comprehensive loss of $83,001 for the comparable period, a decrease in net comprehensive loss of $212,800. This increased loss is due to $29,580 of lower gross margin; a $56,935 increase in general and administration; a $3,432 increase in research and development; a $71,593 increase in regulatory assurance expenses; a $5,063 increase in interest and accretion expense; and, a $154,855 decrease in Scientific Research &Experimental Development claim recoveries – offset by a $21,436 decrease in selling and marketing; a $68,238 decrease in share-based compensation; a $13,421 decrease in depreciation and amortization; and, a $5,563 decrease in public listing costs.

Quarter's Revenue and Gross Margin

Revenue decreased $44,209 or 78.7%, due $11,500 to lower treatment fees and $32,709 to lower product sales.

Gross margin decreased $29,580 from $8,458 in 2023 to a negative margin of $1,122 in 2024, due to the $11,500 of lost treatment revenues; $23,990 of lower product sale margins; and, $382 of other fixed costs - offset by a $6,292 reversal of obsolescence provisions.

Quarter's Operating Expenses

Total operating expenses increased $183,220, or 164.4%, as noted above and in the following:

General and administrative expenses increased $56,935, from $122,622 to $179,557, including: a $75,000 prior year forgiveness of wages payable to a former interim CEO, who is currently a director; $5,462 of higher rent costs, which are offset by a reduction in amortization costs; and, $7,563 of other cost increases - offset by $18,594 of lower accounting, legal and professional fees; and, a $12,496 decrease for insurance.

Research and development expenses increased $3,432, from $49,398 to $52,830, due to the timing of patent fee expenses.

Quality and regulatory assurance costs increased $71,593, from a negative of $5,702 in 2023 to $65,891, due to the timing of external quality assurance audits and higher costs than prior year related to the Company's MyndStep device.

Selling and marketing costs decreased $21,436, from $27,728 to $6,292 for reasons similar to the nine-month period discussed above.

Non-cash share-based compensation expense decreased $68,238, from $50,560 to a negative expense in 2024 of $17,678, due to contractor options issued in 2023, a significant portion of which were forfeited in the current quarter.

The increase in Interest and accretion expenses relates primarily to accrued interest on the FEDA loan.

Depreciation and amortization decreased $13,421, from $22,249 to $8,828 - $9,529 for lower due low depreciation related to a significant portion of the Company's treatment devices becoming fully depreciated in 2023 and $3,892 to lower lease cost amortization.

Public listing costs decreased $5,563, from $15,686 to $10,123 due to the timing of incurred expenses.

During the three-month period ended September 30, 2024, the Company received and recorded $19,293 of Ontario SR&ED claims, related to the annual December 31, 2023 tax period (nine-month period ended September 30, 2023 - $174,148 of Federal and Ontario SR&ED claims, related to the stub February 15, 2022 and annual December 31, 2021 tax periods). The Company did not have any recoverable SR&ED expenditures for the February 15, 2022 to December 31, 2022 tax period.

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, 2023, September 30, 2024 and November 19, 2024:

	As At		
	December 31, 2023	September 30, 2024	November 19, 2024
Common Shares	23,999,331	24,906,345	25,089,895
Common Share Purchase Warrants	6,359,447	7,266,461	7,450,011
Options	1,485,000	997,500	997,500

Liquidity and Capital Resources

As at September 30, 2024, the Company had negative working capital of $1,237,880 (December 31, 2023 – negative working capital of $1,004,619); and a cash and cash equivalents balance of $86,274 (December 31, 2023 - $187,411). The Company is not subject to any externally imposed capital requirements.

At September 30, 2024, the Company's negative working capital includes $715,652 of deferred payment agreement and disputed expenses payable and the $437,641 FEDA loan that the Company is 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, 7, 10 and 18 of the financial statements, these obligations create material uncertainty that the Company can complete a new financing.

Assuming there is no demand for payment of the deferred payment agreement or FEDA loan, the Company's September 30, 2024 cash balance covers less than 30 days of operating expenses. As referenced on page 12, the Company received funds and accepted a subscription offer for a non-brokered private placement, which closed on October 23, 2024 for a total of $137,662.

There is unlikely to be significant capital spending for the twelve months ended September 30, 2025.

2024 and 2023 financing transactions

See page 11 of this MD&A for details in respect of the Company's private placement financings completed in the nine-months ended September 30, 2024, in which $637,290 of net proceeds were raised.

See page 12 of this MD&A for details in respect of the Company's private placement financings completed in 2023, in which $1,152,625 of net proceeds were raised.

Funding Requirements

Working capital requirements for the twelve months ended September 30, 2025, are anticipated to be funded by the Company's September 30, 2024 working capital and future financings completed in 2024 and 2025 that have not yet been defined.

As at September 30, 2024, 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. In addition to the equity raise closed on October 23, 2024, the Company will need to raise additional capital no later than November 30, 2024. Otherwise, the Company will need to terminate all of its Employees on November 30, 2024.

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.

Management has made significant assumptions about the future and other sources of estimation uncertainty as of the financial position reporting date. In the event that actual results differ from assumptions made, this could result in a material adjustment to the carrying amounts of assets and liabilities,

Critical Judgments Used in Applying Accounting Policies

The preparation of the 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 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, 7, 10 and 18 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.

- ***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 HTX 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.

Valuation of 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
  - 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 Valuaion 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 September 30, 2024, the Company had $1,007 in overdue trade receivables (September 30, 2023 - $2,595).

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 September 30, 2024:

	Payments Due			
	Less than 1 year	2 - 3 years	After 3 years	Total
Trade and other payables	$ 1,015,660	$ -	$ -	$ 1,015,660
Government loans	437,641	-	-	437,641
Other long-term debt	5,395	12,411	8,973	26,779
	$ 1,458,696	$ 12,411	$ 8,973	$ 1,480,080

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. As at September 30, 2024, a 1% change in the foreign exchange rates would result in a $1,601 impact to the financial statements (September 30, 2023 - $896).
- **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 September 30, 2024 and 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 March 31, 2024 and 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 shareholder equity and borrowings. Shareholder equity comprises share capital contributed surplus, and accumulated deficit, which on September 30, 2024, totaled a deficiency of $1,171,788 (December 31, 2023 – deficiency of $919,780). 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 nine-month period ending September 30, 2024 and 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 September 30, 2024, the Company's only foreseeable option to settle these $1,153,293 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.

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 three-month periods ending September 30, 2024 and 2023 and year ended December 31, 2023 are disclosed on page 22 of this MD&A.

The Company's current lease agreement expires on July 31, 2025 - for a total fixed cost of $25,712, plus variable common area costs, for the remaining ten-month period. The lease renewal was not capitalized, because of the short-term duration of its term.

Related Party Transactions

During the nine-month periods ended September 30, 2024 and 2023, the Company recognized treatment revenues and device sales revenues from LBB Applied Technology Inc., a significant shareholder of the Company and the Company's distributor in the United States that was previously able to nominate one director, who continues to remain a director, to the Company's Board of Directors. 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 UHN, 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. In addition, the Company has entered into contracts with this Institution to sell MyndMove devices, which have been modified for research purposes; and to purchase research and development (R&D) services.

In 2017, the Board approved the remuneration of a director and shareholder, for services as interim CEO provided to the Company in addition to his role as director. As at September 30, 2023, the entire $75,000 amount remained unpaid and was included in trade and other payables. In the fourth quarter of 2023, the amount was forgiven by the director and shareholder and recorded as a reduction of general and administration salaries and benefits.

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

	September 30		December 31
	2024	2023	2023
Revenue during the nine-month period ended			
Sale of devices and parts	33,737	5,177	
	$ 33,737	$ 5,177	
Expenses during the nine-month period ended			
Share-based compensation for directors and senior officers	$ 25,818	$ 42,384	
Salaries, fees and benefits for directors and senior officers - current	257,457	301,907	
Salaries forgiven, as noted above	-	(75,000)	
License fees	3,381	3,930	
	$ 286,655	$ 273,221	
Assets - as at the date specified			
Accounts receivable	$ 1,854	$ 3,616	$ 5,360
Liabilities - as at the date specified			
License fees and expenses payable	$ 96,047	$ 96,047	$ 96,759
Deferred revenue	$ 38,250	$ 55,250	$ 51,000

Related party share-based compensation for the nine-month period ending September 30, 2024, includes $20,778 for Craig Leon, Director and Chief Executive Officer (September 30, 2023 - $40,184) and, $5,040 for other Directors (September 30, 2023 - $2,200).

Related party salaries and fees for the nine-month period ending September 30, 2024, includes $199,707 for Craig Leon, Director and Chief Executive Officer (September 30, 2023 - $200,702); $nil for Ron Kurtz, former Vice President Engineering (September 30, 2023 - $37,205); $45,750 for Scott Franklin, Chief Financial Officer (September 30, 2023 - $54,000); and, $12,000 for other Directors (September 30, 2023 - $10,000).

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 has a limited history of operations and earnings on which to base an evaluation of its business and prospects and 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, officers and advisors of the Company are also directors, officers, advisors, 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, including the demand for the Company's products or the prices it can charge, 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; the introduction of new products and services by competitors; and changes in healthcare reimbursement policies.

Manufacturing and Supply Chain Disruptions

Global supply chain challenges, including component and raw material shortages, could impede the Company's ability to manufacture products efficiently and cost-effectively, potentially affecting production timelines and operational costs.

Cybersecurity Risks and Threats

The cybersecurity threat landscape continues to grow in complexity and intensity. The Company's systems, or those of its partners and service providers, may be vulnerable to breaches that could go undetected for extended periods, amplifying potential damage. Any IT system breach could result in data loss, regulatory penalties, reputational damage, and materially adverse effects on the Company's business, financial condition, and operational results.

Regulatory and Legal Risks

The Company's products face stringent regulatory requirements. Non-compliance could lead to fines, product recalls, or sales restrictions. The Company's success partly depends on protecting its intellectual property, but there's no guarantee against challenges, invalidation, or circumvention of its IP rights. Product liability claims alleging injury from the Company's products could be costly to defend and damage its reputation.

Challenges with AI Development

The Company's AI integration efforts may encounter technical difficulties, regulatory obstacles, or market resistance. As it explores AI applications, the Company may face scrutiny over ethical implications and potential biases in AI-driven medical technologies, which could impact product development and market acceptance. The success of MyndTec AI is contingent on numerous factors, including the Company's ability to secure ongoing financing through equity and/or debt capital raising, attract and retain key AI talent, and create value-added products or technology differentiation that resonate with the market. With numerous companies pursuing AI integration, there's no guarantee that the Company's AI endeavors will be successful or yield a competitive advantage. The Company's ability to effectively implement and monetize AI technologies remains uncertain and subject to various risks and market forces.

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 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 current economic climate remains volatile, driven by factors such as inflation, interest rates, recessionary pressures, geopolitical issues, and socioeconomic and political uncertainties, particularly in the United States. Significant near to mid-term volatility is anticipated, with unknown potential impacts on the Company.

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.