



**THERMA BRIGHT INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
QUARTERLY HIGHLIGHTS**

**FOR THE THREE ENDED OCTOBER 31, 2020**

## **Introduction**

The following Interim Management's Discussion & Analysis ("MD&A") of Therma Bright Inc. (the "Company" or "Therma") has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended July 31, 2020. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, the audited annual financial statements of the Company for the years ended July 31, 2020 and July 31, 2019 and the unaudited condensed interim financial statements for the three months ended October 31, 2020, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three months ended October 31, 2020 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at December 30, 2020 unless otherwise indicated.

The unaudited condensed interim financial statements for the months ended October 31, 2020, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Therma Bright's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.thermabright.com](http://www.thermabright.com).

## **Caution Regarding Forward-Looking Statements**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking

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statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

<b>Forward-looking statements</b>	<b>Assumptions</b>	<b>Risk factors</b>
For fiscal 2021 the Company’s operating expenses are estimated to be \$25,000 per month for recurring corporate operating costs	The Company has anticipated all material costs; the operating activities of the Company for the twelve-month period ending October 31, 2021, and the costs associated therewith, will be consistent with the Company’s current expectations.	Unforeseen costs to the Company will arise; any particular operating costs increase or decrease from the date of the estimation; changes in economic conditions ongoing uncertainties relating to the COVID-19 virus.
The Company will be required to raise additional capital in order to meet its ongoing operating expenses and complete its planned research and development on all of its current devices for the twelve-month period ending October 31, 2021	The research and development activities of the Company for the twelve-month period ending October 31, 2021, and the costs associated therewith, will be consistent with the Company’s current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to Therma Bright.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in cost of research and development; regulatory and governmental compliance and regulation; interest rate and exchange rate fluctuations; changes in economic conditions ongoing uncertainties relating to the COVID-19 virus.
The Company’s ability to obtain and protect the Company’s intellectual property rights and not infringe on the intellectual property rights of others.	Patents and other intellectual property rights will be obtained for viable device manufactures; patents and other intellectual property rights obtained will not infringe on others.	Therma Bright will not be able to obtain appropriate patents and other intellectual property rights for viable pain relieve devices; patents and other intellectual property rights obtained will be contested by third parties; no proof that acquiring a patent will make the product more competitive.
The Company’s ability to source markets which have demand for its products and successfully supply those markets in order to generate sales.	The segment of the market for the Company’s products and /or potential products, as well as technologies, will continue to exist and expand. The Company’s products will be commercially viable, and it will successfully compete with other thermal therapy technology devices.	The anticipated market for the Company’s products and /or potential products, as well as technologies, will not continue to exist and expand for a variety of reasons, including competition from other products and the degree of commercial viability of the potential product.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Therma Bright’s ability to predict or control. Please also make reference to those risk factors referenced in the “Risks and Uncertainties” section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions

underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Therma Bright's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## **Description of Business**

Therma Bright Inc. is a publicly traded company graduated to TSXV from the NEX and changed its name from The Jenex Corporation to Therma Bright Inc. as part of re-branding and is trading under the symbol THRM.V. The Company is focused on servicing the \$21 billion cosmeceutical industry. The Company holds patents pending and the trademarks for Therozap™ and the trademark InterceptCS™ along with regulatory approvals for its breakthrough thermal therapy technology. The Company's technology uses heat and light energy to deliver effective, topical, pain free skin care.

The Company has spent a significant investment in intellectual property and research and development for its InterceptCS™- cold sore device, the Therozap™ insect device, and will soon invest in a novel pain relief device. Company's current product lines address cold sore treatment and prevention, and the treatment of pain, itch and inflammation related to mosquito, bee, spider, mite, and jellyfish bites or stings. The Company is in the research and development stage to develop a novel device for relief of pain associated with back, knee or other joint pain. The Company is focused on building recurring revenue streams from its products and to incorporate intelligent technology such as AI or IoT.

The Company's current focus is to market its products online through various social media networks, and to eventually re-establish relationships with major North American and Global retailers. The Company is currently pursuing the redesign of the Company's existing platforms to commercialize on new technologies.

## **Outlook and Overall Performance**

On August 6, 2020, the Company completed the closing of its non-brokered private placement and has issued 16,666,667 units for gross proceeds of \$1,250,000. No finder's fee was paid in conjunction with the

On August 13, 2020, the Company completed its Phase 1 due diligence on Orpheus Medica's ("Orpheus") platform technology and plan for the development of a rapid saliva test (CoviSafe™) for the detection of the virus (SARS-CoV-2) causing COVID-19. CoviSafe™ will integrate Orpheus' novel biologics and advanced computational platforms, coupled with third party device technology, to develop a reliable palm-sized rapid test for screening of COVID-19 virus in saliva.

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Therma will provide funding for the project in phases ("Phase" or "Phases") contingent upon achieving certain corporate and scientific milestones. Therma will provide medical device expertise to help accelerate the development of the CoviSafe™ screening test to address the ongoing pandemic. The Initial Phase 1 milestones have been met and Therma has issued to Orpheus 1,000,000 Therma common shares and 1,000,000 warrants exercisable at \$0.05 per share with a 5-year expiry.

CoviSafe™ is intended to have unique features such as high sensitivity, accuracy and specificity while delivering results in less than 20 minutes. Orpheus has substantial experience developing biological based rapid tests, including THC drug screening test in saliva for roadside testing and workplace safety. The design and development plan of CoviSafe™ is underway and Therma and Orpheus expect to deliver a solution quickly to the Canadian and global market

On August 20, 2020, the Company announced has the satisfactory completion of its due diligence and intends to acquire Benepod® pain relief technology and other related medical device technology and intellectual property from Saringer Life Science Technologies Inc. ("Saringer").

On August 26, 2020, the Company closed the transaction to acquire Benepod® pain relief technology and other innovative medical device technology from Saringer in an all cash transaction for \$425,000. The transaction includes the acquisition of products including BenePod® for chronic pain relief; ICEOtherm® for minor aches and pain in the hands, elbows and feet; and Venowave® to increase blood circulation in the legs. In addition, in conjunction with closing this transaction, Therma has hired key personnel and acquired all inventory, tooling, customer lists, online domains, technical files, quality management systems and intellectual property such as patents and trademarks owned by Saringer. and other related companies associated with Saringer.

Part of the acquisition plans will include a full rebranding exercise, an e-commerce website and social media strategy. Therma has engaged with New York based boutique brand consultancy SCG Creative to lead positioning, drive messaging, increase exposure and deliver brand value.

On August 27, 2020, the Company announced that it has signed a co-development definitive agreement with Orpheus. This agreement will allow Therma access to Orpheus' novel biological platform and the joint development of a rapid saliva test for the screening and detection of the virus (SARS-CoV- 2) causing COVID-19. Under this agreement, Therma will provide funding for the project in phases ("Phase" or "Phases") as certain developmental milestones are achieved, Therma will commit up to \$300,000 for Phase 1 which will focus on the identification of anti-COVID-19 poly-peptides to be utilized in the test prototype development stage. Therma and Orpheus expect Phase 1 to take approximately 45 days to complete.

On September 1, 2020, the Company announced as previously released, the **TherOZap®** technology proved successful at inhibiting the Zika virus during in-vitro tests. Based on this, along with researcher feedback, Therma will move ahead with further testing on the **TherOZap®** technology against the Dengue virus to be conducted by a top virology research lab in Canada. According to the World Health Organization: "Dengue affects a much larger percentage of the world population with about half of the world's population now at risk. Dengue is found in tropical and subtropical climates around the world, mostly in urban and semi-urban areas. Severe Dengue is a leading cause of serious illness and death among children in some Asian and Latin American countries."

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Therma also reported that it has initiated a redesign for its **InterceptCS™** product, the Company's thermal therapy device approved in Canada as a Class II medical device with the claim: "For the prevention and relief of the symptoms of herpes labialis (cold sores)." The **InterceptCS™** system is a thermal therapy technology that uses timed, measured heat applications to prevent a cold sore. The technology has advantages for cold sore sufferers as there is no messy cream to apply or expensive, potentially harmful drugs to ingest to treat a cold sore.

On September 3, 2020, the Company announced that its co-development partner, Orpheus has identified a series of polypeptides for the screening and detection of the virus (SARS-CoV-2) causing COVID-19. The research carried out by Orpheus and its academic collaborators has resulted in several high-quality polypeptides that recognize the COVID-19 virus with clear distinction from other coronavirus types such as SARS or MERS. These biological molecules will form the basis of the CoviSafe™ that is being developed to screen and detect the proteins of the virus rather than its genetic material. Therma and Orpheus expect to provide additional test formats where the user can test and differentiate between COVID-19 and seasonal flu symptoms.

On September 15, 2020, the Company and Orpheus announced that Orpheus has identified a series of polypeptides for the screening and detection of the virus (SARS-CoV-2) causing COVID-19. These polypeptides, and others, are being synthesized and when produced will be evaluated in a series of feasibility studies for the selection of the optimal candidates to ensure the best sensitivity and specificity for the SARS-CoV-2 virus. Once the optimal candidates are identified, these polypeptides will be used for testing CoviSafe™ in patient samples.

Orpheus and Therma have also entered into an agreement with a developer and manufacturer of rapid diagnostic tests to perform the feasibility studies with a short list of optimal polypeptides to be provided by Orpheus. The prototype diagnostic or screening test will then be optimized incorporating the polypeptides that exhibit the best performance in terms of sensitivity and specificity as a prototype CoviSafe™ device.

On October 8, 2020, the Company and Orpheus announced the recent award of a Mitacs Elevate research internship program. The project proposal has been peer-reviewed and approved in late September for matching funds for a Postdoctoral Fellowship

On October 21, 2020, the Company and Orpheus announced the successful completion of the initial feasibility studies with its polypeptide detection candidates for CoviSafe™. Therma & Orpheus announced the engagement of nanoComposix Inc. ("nanoComposix") to complete the development of CoviSafe™. NanoComposix is uniquely positioned to begin final development of CoviSafe™ and to assist Therma & Orpheus with defining optimal reagents and chemistries necessary to make CoviSafe™ an ultrasensitive, rapid, saliva-based, point of care lateral flow test for SARS-CoV-2.

On November 4, 2020, the Company announced that it has created a new venture, called Torion Biosciences Inc. ("Torion") with a mandate to develop, license and commercialize a rapid antigen test for screening of both symptomatic and asymptomatic individuals, infected or suspected of being infected with the COVID-19 virus. Therma will control 50% of Torion with the remaining 50% controlled by others including a number of veteran biotech executives as the primary shareholders of Torion.

Therma has terminated its co-development agreement with Orpheus Medica, and key personnel from Orpheus will be consulted by Torion as required. Torion is currently in late-stage discussions to acquire a

series of biological candidates as primary reagents for CoviSafe™. These molecules have demonstrated excellent sensitivity and specificity in initial feasibility studies. CoviSafe™ will be advanced into patient sample validation followed by prospective clinical studies with the newly acquired biological molecules.

On December 7, 2020, the Company announced the preliminary results achieved during the feasibility studies indicate a test sensitivity of 80% and a specificity of over 90% for Therma's CoviSafe™ rapid test for detecting SARS-CoV-2 in saliva. Therma entered into an agreement with nanoComposix, a developer and manufacturer of rapid diagnostic tests to perform feasibility studies with a short list of polypeptides identified by Therma's strategic partners. Preliminary studies have identified a number of polypeptide pairs that will be tested in the coming weeks in human saliva samples containing the SARS CoV-2 virus.

Subsequent to the three months ended October 31, 2020, investors have exercised a total of 1,999,999 warrants and options to add \$300,000 to the Company's treasury. Included in this sum is 1,200,000 warrants (\$175,000) exercised by directors and officers of the Company. The Company also granted incentive stock options to consultants of the Company to purchase up to an aggregate of 450,000 common shares of the Company. These options are exercisable for a period of 5 years at a price of \$0.22 per share.

During the three months ended October 31, 2020, the Company has generated total revenues of \$2,140 (three months ended October 31, 2019 - \$1,089).

At October 31, 2020, the Company had a net working capital of \$635,351 (July 31, 2020 – \$217,161). The Company had cash and cash equivalents of \$328,515 (July 31, 2020- \$1,061,767). Working capital and cash and cash equivalents decreased during the three months ended October 31, 2020 mainly due to net cash used in operating activities of \$992,954. The Company's working capital is sufficient to maintain its general and administrative costs for the next 12 months. Management may increase or decrease budgeted expenditures depending on product development results and ongoing volatility in the economic environment. See "Liquidity and Financial Position" below.

### **Off-Balance-Sheet Arrangements**

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

### **Trends**

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

## **Proposed Transactions**

The Company routinely evaluates various business development opportunities. However, as of the date of this MD&A, no proposed transaction has been approved by the Board of Directors.

## **Contractual Obligations**

### **Development of Testing Methodology Protocols**

On March 30, 2017, the Company announced that it signed a service agreement with University Health Network (UHN), whereby UHN would develop testing methodology protocols for the **TherOZap™** technology to determine the effectiveness of **TherOZap™** at inactivating the Zika and West Nile viruses. On August 17, 2017, the Company made an amendment to the above service agreement to expand the testing.

### **Development of Prototypes of Activators**

On May 30, 2017, the Company signed a design services agreement, the objective of which is to produce prototypes of Activators with a pre-configured number of activations in relation to InterceptCS™.

## **Discussion of Operations**

### Three months ended October 31, 2020 compared with three months ended October 31, 2019

Therma Bright's net loss totaled \$3,606,642 for the three months ended October 31, 2020, with basic and diluted loss per share of \$0.02. This compares with a net loss of \$62,863 with basic and diluted loss per share of \$0.00 for the three months ended October 31, 2019. The increase of \$3,543,779 in net loss was principally because:

- ❖ For the three months ended October 31, 2020, stock-based compensation was \$2,586,000, compare to \$nil for the three months ended October 31, 2019, mainly due to the 14,150,000 stock-options issued and vested.
- ❖ For the three months ended October 31, 2020, research and development was \$464,280, compare to \$nil for the three months ended October 31, 2019, mainly due to product and research and development for CoviSafe™, BenePod® for chronic pain relief; ICEOthem® for minor aches and pain in the hands, elbows and feet; and Venowave.
- ❖ The net sales for the three months ended October 31, 2020 were \$2,140, compare to \$1,089 for the three months ended October 31, 2019.
- ❖ General and administrative expenses increased to \$550,152 for the three months ended October 31, 2020 from \$58,943 for the three months ended October 31, 2019, primarily due to a decrease in professional fees and consulting.

## **Liquidity and Financial Position**

At October 31, 2020, the Company had a net working capital of \$635,351 (July 31, 2020 – \$217,161).

Cash used in operating activities was \$992,954 for the three months ended October 31, 2020. Operating activities were affected by net loss of \$3,606,642 plus non-cash items stock-based compensation of \$2,586,000; shares and warrants issued for Orpheus of \$347,000 and amortization of \$307. Change in non-cash working capital balances relates to the increases in other receivables and prepaid expenses of \$30,232; inventory of \$34,000 ; sales tax of \$25,653; and a decrease in accounts payables and accrued liabilities of \$229,734. For the three months ended October 31, 2019, cash used in operating activities was \$22,499 and were affected by net loss of \$62,863 plus non-cash items accretion expense of \$4,265; and amortization of \$744. Change in non-cash working capital balances related to the decreases in prepaid expenses of \$2,575; and sales tax expense \$491 and an increase in accounts payables and accrued liabilities of \$32,289.

Cash used in investing activities was \$300,000 in the acquisition of assets of Saringer. For the three months ended October 31, 2019, cash used in investing activities was \$nil.

Cash provided used in financing activities was \$599,702 mainly due to proceeds from shares issued of \$262,625, warrants exercised of \$80,000 and the exercise of options of \$280,000. For the three months ended October 31, 2019, cash provided used in financing activities was \$nil.

At October 31, 2020, the Company had \$328,515 in cash and cash equivalents (July 31, 2020 - \$1,061,767).

The Company has minimal operating revenues and therefore must utilize its funds obtained from the equity financing and other financing transactions to maintain its capacity to meet ongoing research and development and operating activities.

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its research and development activities. For fiscal 2020, the Company's expected operating expenses are estimated to average \$25,000 per month for recurring operating costs. The Company has certain commitments on its products over the next 12 months (see "Contractual Obligations" above). Management may reassess its planned expenditures based on the Company's working capital resources, the scope work required to advance exploration on its projects and the overall condition of the financial markets.

The Company's has a working capital of \$635,35 at October 31, 2020 and is sufficient to maintain its general and administrative costs for the next 12 months and therefore financing needs to be raised. As at October 31, 2020, the Company had 18,090,000 exercisable stock options outstanding that would raise approximately \$3,452,000 if exercised in full and 1,340,000 warrants outstanding that would raise approximately \$1,908,000 if exercised in full. To the extent these options and warrants are exercised will be a function of the market price of the Company's underlying common shares and investor perspectives on the opportunity for shareholder value creation over the investment time horizon for each individual investor.

## **New Accounting Pronouncements**

### **IFRS 3, Business Combinations ("IFRS 3")**

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The adoption of the amendments had no impact on the Company's unaudited condensed interim financial statements.

### **IAS 1, Presentation of Financial Statements ("IAS 1")**

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's unaudited condensed interim financial statements.

### **IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")**

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications. The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's unaudited condensed interim financial statements.

## **Critical Accounting Estimates**

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are convertible debentures, stock options granted, warrants issued, accruals and valuation allowances.

## **Related Party Transactions**

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the amount established and agreed to by the related parties.

(a) The Company entered into the following transactions with related parties:

For the three months ended October 31, 2020, the Company expensed \$4,798, (three months ended October 31, 2019 - \$442) to Marrelli Support Services Inc. ("Marrelli Support") for the services of Vic Hugo to act as Chief Financial Officer of the Company. In addition, Marrelli Support also provides bookkeeping

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services to the Company. Vic Hugo is an employee of Marrelli Support. As at October 31, 2020, Marrelli Support was owed \$10,929 (July 31, 2020 - \$50,364) and this amount was included in accounts payable and accrued liabilities.

For the three months ended October 31, 2020, the Company expensed \$31,250 (three months ended October 31, 2019 - \$nil) to Intelvest Inc., a company controlled by a director and officer of the Company, for the management services of Rob Fia to act as Chief Executive Officer of the Company.

(b) Remuneration of directors and key management personnel, other than consulting fees, of the Company was as follows:

	Salaries and benefits		Share based payments		Total	
	Three Months Ended October 31,		Three Months Ended October 31,		Three Months Ended October 31,	
	2020 (\$)	2019 (\$)	2020 (\$)	2019 (\$)	2020 (\$)	2019 (\$)
Rob Fia, Director and Officer	nil	2,500	1,326,828	nil	1,326,828	2,500
Joseph Heng, Director	nil	nil	170,258	nil	170,258	nil
Tim Peterson, Director	nil	nil	237,914	nil	237,914	nil
Spencer Sunbun Huh, Director	nil	nil	137,258	nil	137,258	nil
Vic Hugo, Officer	nil	nil	27,452	nil	27,452	nil
<b>Total</b>	<b>nil</b>	<b>2,500</b>	<b>1,899,710</b>	<b>nil</b>	<b>1,899,710</b>	<b>2,500</b>

(c) Insider shareholdings

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

As of October 31, 2020, directors and officers of the Company, with individual control of less than 10% of the total common shares outstanding, collectively control 16,073,744 common shares of the company or approximately 8% of the total common shares outstanding. To the knowledge of the directors and officers of the Company, the remaining common shares of the Company were widely held.

### **Disclosure of Internal Controls**

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### **Risks and Uncertainties**

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section titled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended July 31, 2020, available on SEDAR at [www.sedar.com](http://www.sedar.com).