THERMA BRIGHT INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2020

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Therma Bright Inc. (the "Company" or "Therma Bright") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended July 31, 2020. This MD&A has been prepared in compliance with the requirements of National Instrument 51- 102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the years ended July 31, 2020 and 2019, 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 year ended July 31, 2020 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at November 30, 2020 unless otherwise indicated.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

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 Revival'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** and on the Company's website at **www.themabright.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 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.

Forward-looking statements	Assumptions	Risk factors
For fiscal 2021, the Company's operating expenses are estimated to be $50,000 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 July 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.
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 July 31, 2021	The research and development activities of the Company for the twelve-month period ending July 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.	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.
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 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'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 Revival'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.

Description of Current Products

InterceptCS™ is the Company's existing product and the Company continues to focus on developing this product.

InterceptCS™

InterceptCS™ is the first product proven and approved to prevent cold sore outbreaks. The Company has been permitted to sell InterceptCS™ in Canada and has the claim, "For the prevention of cold sores when used within 3 hours of the onset of the prodrome".

InterceptCS™ *with New Design*

The treatment activator is a new plug-in module to the InterceptCS™ to enable the treatment of cold sores. The treatment activator is good for one use and is then discarded. The Company has completed design alternatives for the treatment activator for multiple use options, providing customers with greater choice and the Company with greater marketing opportunities. The final design has been completed for the multi-use treatment activator **Intercept*CS*™** product, and the Company's thermal therapy device has been 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). Once additional capital is secured the Company intends to manufacture the multi-use activators along with a new design for the InterceptCS™. The current marketing channel includes the Company's own ecommerce website, www.coldsores.com

On the quality front, the Company maintains its ISO-13485 certification, which underscores management's continued commitment to high quality throughout the product development life cycle to deliver quality products to its customers.

Sales Strategy

The Company will re-establish discussions with large retail channels for its products in the future once new products are ready for commercial sale. Currently the Company is focused on selling its products through its ecommerce channel, www.coldsores.com with the use of social media advertising.

Potential New Products

TherO*Zap*™

The Company has registered **TherO*Zap*™** (www.therozap.com) as the name of the Company's next generation thermal therapy insect device. **TherO*Zap*™** will utilize advanced technology to provide relief to sufferers of insect bites and stings. This is a patent pending technology and the product development is continuing on schedule.

The Company engaged an independent laboratory and internationally recognized testing facility, to conduct the tests of **TherO*Zap*™** technology against the Zika. The laboratory developed the testing methodology protocols for the TherO*Zap*™ technology to determine the effectiveness of **TherO*Zap*™technology** at inactivating the Zika virus TThe Company received promising during September 2019 on the Zika virus testing. The **TherOZap™** technology indicated effectiveness of its **TherO*Zap*™** technology to inhibit the Zika virus.

The Company will continue testing of the **TherO*Zap*™** technology against the Zika virus, and the Dengue Virus with the existing laboratory. The Company may follow up in-vitro tests with in-vivo testing of the **TherO*Zap*™.** The Company's aim is toprove that the **TherO*Zap*™** technology will be effective as a second line of defense after being bitten by a mosquito against the Zika or Dengue virus. Once the **TherO*Zap*™** technology proves effective, the Company expects to extend the prototype improvements to Therma's final commercial device with an aim to market any claims on marketing material with appropriate regulatory approval.

Thermal therapy technology with CBD and THC

The Company continues to pursue research into the use of its thermal therapy technology with CBD and THC. The Company proposes to collaborate with pain relief research groups to develop a trademarked/patented thermal therapy device or devices for relief of; back pain, arthritis pain and other orthopedic based pain utilizing CBD and THC. All research and handling of any medical CBD or THC will be dealt with through authorized and licensed research facilities.

- The Company has acquired Benepod® pain relief technology and other medical device related technology from Saringer Life Science Technologies Inc. ("Saringer") Saringer products include Benepod® for chronic pain, ICEOtherm® for minor aches and pain in the hands, elbows and feet, and Venowave® to increase circulation.

CoviSafeTM

With Orpheus Medica, the Company is to develop a rapid test to detect COVID-19 virus in saliva - the CoviSafeTM. The proposed COVID-19 rapid saliva test 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 rapid tests, including roadside THC drug screening kits for saliva and other biological samples. The design and development of the fundamental components of the proposed test have already begun, which may allow Therma and Orpheus to deliver a solution to the Canadian and global markets.

The Project 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.

Outlook and Overall Performance

During the year ended July 31, 2020, the Company has generated total revenues of $3,783 (2019 - $6,905).

The Company continues to sell its product through www.coldsores.com utilizing online marketing social media campaigns. The Company is investigating various other marketing and distribution channels for its products.

At July 31, 2020, the Company had a net working capital of $217,161 (July 31, 2018 – working capital deficiency of $256,182). The Company had cash and cash equivalents of $1,061,767 (July 31, 2019 - $30,397). Working capital and cash and cash equivalents increased during the year ended July 31, 2020 due to cash provided by financing activities The Company's working capital is sufficient to maintain its general and administrative costs for the next 12 months and therefore financing needs to be raised. 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.

On March 28, 2019, the Company announced that the Company is in the final stages of in vitro testing and awaits the results of the **TherOZap™** technology against the Zika virus. Testing is being conducted through a top research laboratory in Canada. The Company was also in discussions to add additional pain research groups to test the Company's beta pain relief device to test the effectiveness of the device at reducing general pain or arthritic pain such as: back, hip, knee, foot, hand or other orthopedic pain. The beta pain relief device incorporates the Company's thermal therapy technology, new add-on technology and the use of pain relief formulations with medicinal cannabis and non-medicinal formulations in the form of creams, gels or salves. Therma Bright has designed the testing protocol to be used by the pain research groups and will report further information as it becomes available. All research and administration of any medicinal cannabis will be dealt with through authorized personnel and licensed research facilities.

On September 4, 2019, the Company announced the TherO*Zap*™ Technology proves successful at inhibiting the Zika virus during in-vitro tests. From the above data the conclusion from the study was: "**TherO*Zap*™ technology** indicates the application of heat at a specific temperature early (within 2 hours) during viral infection can significantly attenuate the viral replication and spread. Specifically, the combination of heat and uncoated material chosen to be tested by Therma displayed the greatest effect at significantly attenuating the viral replication and spread."

On September 5, 2019, the Company announced that the TherO*Zap*™ technology under the Company's former name, The Jenex Corporation, has filed an international patent application under the PCT convention for its thermal therapy TherOZap™ and has recently entered the national phases in the US, Europe and Canada. In the international phase, the international search report found all searched claims to be novel. In the national phases, the claims will be further examined for patentability and allowance is expected. Therma is in the process of changing the international patent application name to: Therma Bright Inc. from the former name, The Jenex Corporation

On January 15, 2020, the Company announced it has entered into a non-binding letter of intent ("LOI") to acquire Benepod® pain relief technology and other medical device related technology from Saringer Life Science Technologies Inc. ("Saringer" or "SLST Inc."). Therma is in the process of conducting due diligence on Saringer. The LOI contemplates that this transaction will be structured as an asset purchase transaction which is expected to include the following terms:

- Sale price - $500,000 with a minimum of 10% payable in cash and the balance in shares of Therma Bright Inc.
- Products include Benepod® for chronic pain, ICEOtherm® for minor aches and pain in the hands, elbows and feet, and Venowave® to increase circulation.
- Upon completion of the transaction Therma intends to hire key personnel, acquire all inventory, tooling, customer lists, online domains, technical files, quality management systems and intellectual property such as patents and trademarks owned by SLST Inc. or other related companies associated with SLST Inc.
- Therma expects to complete a concurrent offering at the time of closing, with terms of the offering to be determined at that time.
- On July 9, 2020 the Company announced that it has completed due diligence and will move forward with closing of the asset purchase.

On July 7, 2020, the Company announced it has entered into a binding letter of intent with Orpheus Medica Inc. ("Orpheus") to partner in the development of a rapid saliva test for the detection of the virus (SARS-CoV-2) causing COVID-19. Therma will provide funding for the project in phases ("Phase" or "Phases") as

certain milestones are achieved and will provide medical device expertise to support accelerating the development of the rapid COVID-19 screening test to address the ongoing pandemic situation.
The initial Phase 1 participation by Therma will involve the issuance to Orpheus of 1,000,000 Therma common shares and 1,000,000 warrants exercisable at $0.05 per share with a 5-year expiry. The shares and warrants will be issued to Orpheus upon achieving certain milestones in the course of Phase 1, which is expected to be completed in the next 30 days. Should the parties decide to move forward, funding in the amount of $300,000 will be provided by Therma for Phase 2 and additional funding should the parties decide to move forward to Phase 3.

The project will integrate Orpheus' novel biologics platform, coupled with third party rapid detection and portable device technology, to develop a reliable palm-sized test for screening of COVID-19 virus in saliva. Orpheus and its academic collaborators have already spent over $500,000 on the development of a series of novel biologic-based detection reagents that are protected by existing intellectual property and know-how.

The proposed COVID-19 rapid saliva test 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 rapid tests, including roadside THC drug screening kits for saliva and other biological samples. The design and development of the fundamental components of the proposed test has already begun, which will allow Therma and Orpheus to deliver a solution quickly to the Canadian and global market.

The parties' arrangement is subject to completion of due diligence and successful negotiation of comprehensive terms and conditions of a definitive development project agreement. The parties' arrangement, including the issuance of shares and warrants to Orpheus as described above, is subject to acceptance by the by the TSX Venture Exchange. Subsequent to the year end, the Company has terminated its co-development agreement with Orpheus.

On July 22, 2020, the Company announced that it has received interest above the previously announced private placement of up to 13,333,334 units at a price of $0.075 per Unit for gross proceeds of up to $1,000,000. Accordingly, the Company intends to increase the amount to be raised under its non-brokered private placement offering to $1,250,000 (up to 16,666,667 Units), subject to TSX Venture Exchange approval.

Each Unit will be comprised of one common share of the Company and one-half (0.5) of one common share purchase warrant, and each whole warrant will be exercisable for one additional common share of the Company at a price of $0.15 for a period of 6 months from the closing date of the private placement.

Further to the Company's has also negotiated an additional $90,000 in debt settlements with arm's length creditors. Consequently, the Company has now settled aggregate debt of $370,000 outstanding as at June 30, 2020, in consideration for which it will issue an aggregate of 4,625,000 common shares at a deemed price of $0.08 per share, subject to approval from the TSX Venture Exchange.

On August 5, 2020, the Company completed the closing of a non-brokered private placement of 16,666,667 units for gross proceeds of $1,250,000.

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.

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

Exclusive License Agreement

On November 2, 2016, the Company entered into an exclusive license agreement (the "License") with Luminar Media Group Inc. ("Luminar") of Aventura, Florida, United States to market the Company's next generation thermal therapy insect device (the "Device") in US, Europe and Asia. The Company was to receive an aggregate of US$250,000 from November 2016 to February 2017. In addition, the Company was to receive a royalty payment equal to 10% of gross sales of the Device up to the first 100,000 units sold and 5% of gross sales of the Device thereafter. The royalty was payable quarterly. Luminar was required to meet the various sales targets over the next 5 years after signing the agreement. In return, the Company committed to obtaining all regulatory approvals with the FDA of United States and other regulatory requirements in jurisdictions outside of the U.S. deemed necessary to market the product. The Company would also utilize its ISO 13485 Quality Management System in any market that Luminar intended to market. On October 2, 2017, the Company announced that it had formally terminated its exclusive agreement with Luminar to distribute TherOZap™ globally outside of Canada for reasons of non-performance of fees payable as outlined in the agreement.

Development of Testing Methodology Protocols

On October 11, 2018, the Company announced that it engaged an independent laboratory and internationally recognized testing facility, to conduct the tests of TherOZap™ technology against the Zika virus. The laboratory developed the testing methodology protocols for the TherOZap™ technology to determine the effectiveness of TherOZap™technology at inactivating the Zika virus The Company expects to continue testing with the laboratory in the future.

Selected Annual Financial Information

The following is selected financial data derived from the audited financial statements of the Company at July 31, 2020, 2019 and 2018.

	Years Ended July 31		
	2020 ($)	2019 ($)	2018 ($)
Revenue	3,783	6,905	14,096
Net loss for the year	626,682	421,931	1,236,154
Basic and diluted loss per share	0.01	0.01	0.01
Total assets	1,148,283	83,116	341,242
Total long-term debt	40,000	79,968	187,019

- The net loss for the year ended July 31, 2020, consisted primarily of (i) general and administration costs of $597,830; (ii) research and development costs of $13,080; and (iii) accretion of $17,397.
- The net loss for the year ended July 31, 2019, consisted primarily of (i) general and administration costs of $249,938; (ii) stock-based compensation costs of $96;333 and (iii) research and development costs of $60,666.
- The net loss for the year ended July 31, 2018, consisted primarily of (i) stock-based compensation costs of $614,667; (ii) general and administration costs of $534,085; and (iii) research and development costs of $92,485.

Selected Quarterly Financial Information

A summary of selected information for each of the eight most recent quarters is as follows:

Three Months Ended	Total Revenue ($)	Loss (Income)		Total Assets ($)	Total Long-Term Debt ($)
		Total ($)	Per Share ($)		
2020-July 31	558	450,808	0.00	1,148,283	40,000
2020-April 30	1,146	48,341	0.00	99,258	129,483
2020-January 31	990	64,670	0.00	56,856	88,702
2019-October 31	1,089	62,863	0.00	57,297	84,233
2019-July 31	2,187	(334,231)	0.00	83,116	79,968
2019-April 30	1,571	196,710	0.00	85,491	87,940
2019-January 31	2,382	319,920	0.00	103,644	85,837
2018-October 31	765	239,532	0.00	196,369	78,485

Discussion of Operations

Three months ended July 31, 2020 compared with three months ended July 31, 2019

Therma Bright's net income totaled $450,808 for the three months ended July 31, 2020, with basic and diluted income per share of $0.00. This compares with a net income of $334,231 with basic and diluted loss per share of $0.00 for the three months ended July 31, 2019. The increase in net loss was principally because:

- General and administrative expenses was lower for the three months ended July 31, 2020 than the three months ended July 31, 2019 mainly due to credits received from suppliers for non-performance in the three months ended July 31, 2019. For three months ended July 31, 2020, the Company recorded fees for consultants and advisors engaged to exploit new business opportunities and financings.

- The net sales for the three months ended July 31, 2020 were $558, compare to $2,187 for the three months ended July 31, 2019.

Year ended July 31, 2020 compared with year ended July 31, 2018

Therma Bright's net loss totaled $626,682 for the year ended July 31, 2020, with basic and diluted loss per share of $0.01. This compares with a net loss of $421,931 with basic and diluted loss per share of $0.01 for the year ended July 31, 2019. The decrease of $814,223 in net loss was principally because:

- For the year ended July 31, 2020, stock-based compensation was $nil, compare to $96,333 for the year ended July 31, 2019, mainly due to the issuance of 250,000 stock-options during the year ended July 31, 2019 and the vesting thereof.

- For the year ended July 31, 2020, general and administrative expenses decrease to $597,830, compare to $249,938for the year ended July 31, 2019, as the Company engaged consultants and advisors to exploit new business opportunities and financings.

- The net sales for the year ended July 31, 2020 were $3,783, compare to $6,905 for the year ended July 31, 2019.

Liquidity and Financial Position

At July 31, 2020, the Company had a net working capital of $217,161 (July 31, 2019 – working capital deficit of $256,214).

Cash used in operating activities was $606,307 for the year ended July 31, 2020 compared to $303,902 in the year ended July 31, 2019. Operating activities were affected by net loss of $626,682 plus change in non-cash items: accretion expense of $17,397 and amortization of $2,978; and changes in non-cash working capital balances due to increases in inventory (17,200); prepaid expenses ($19,575) and sales tax ($4,151), and an increase in accounts payable and accrued liabilities of $542,289.

Cash used in investing activities was $nil for the year ended July 31, 2020 compare to $3,081 as a result of the purchase of equipment.

Cash used in financing activities was $1,136,314 for the year ended July 31, 2020 compared to cash provided by financing activities of $1,500 in the year ended July 31, 2019. The increase is due to proceeds from shares to be issued of $1,047,375 that closed subsequent to the year end

At July 31, 2020, the Company had $1,061,767 in cash and cash equivalents (July 31, 2019 - $30,397).

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 exploration 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 2021, the Company's expected operating expenses are estimated to average $50,000 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 working capital of $217,161 at July 31, 2020, is not sufficient to maintain its general and administrative costs for the next 12 months and therefore financing needs to be raised. As at July 31, 2020, the Company had 13,015,000 stock options outstanding that would raise approximately $1,100,000 if exercised in full and 7,380,000 warrants outstanding that would raise approximately $660,000 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.

Recent Accounting Pronouncements

New accounting standards adopted

IFRS 16 Leases

IFRS 16 was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right of use asset and a lease liability. The right of use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right of use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. The application of the new standard had no impact on the financial statements as at July 31, 2020.

New accounting standards and interpretations not adopted yet

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 clarifies the accounting for uncertainties in income taxes. The interpretation requires the entity to use the most likely amount or the expected value of the tax treatment if it concludes that it is not probable that a particular tax treatment will be accepted. It requires an entity is to assume that a taxation authority with the right to examine any amounts reported to it will examine those amounts and will have full knowledge of all relevant information when doing so.

IFRIC 23 is effective for annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted. The requirements are applied by recognizing the cumulative effect of initially applying them in retained earnings, or in other appropriate components of equity, at the start of the reporting period in which an entity first applies them, without adjusting comparative information. Full retrospective application is permitted, if an entity can do so without using hindsight. We have yet to determine the impact this standard will have on our 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.

Capital risk management

The Company's objective in managing capital is to ensure sufficient liquidity to pursue its business objectives and has plans to raise additional capital. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor capital.

Financial risk management

(i) Fair value of financial instruments

The fair values of the Company's financial instruments approximate their carrying values. The carrying amounts of cash, accounts payable and accrued liabilities and loans from directors approximate their fair values due to the short-term maturities of these instruments.

(ii) Currency risk

The Company did not have any foreign currency exposure as at July 31, 2020 and 2018. The results of the Company's operations are therefore not subject to currency transaction and translation risk

(iii) Liquidity risk

The Company monitors its liquidity position regularly to assess whether it has the funds necessary to pay for the general and administrative expenses required to maintain the Company's books and records as well as its listing on the TSXV. However, since the Company does not internally generate a significant cash flow, there are inherent liquidity risks, including the possibility that additional financing may not be available to the Company and the Company may not be able to achieve successful operations. The current uncertainty in global markets and the fact that the Company has a nominal amount of assets could have an impact on the Company's future ability to obtain capital on terms that are acceptable to the Company, and on the Company's future ability to achieve successful operations. The Company has so far maintained a limited amount of cash for its operational needs by means of loans from the directors and share issuance.

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 year ended July 31, 2020, the Company expensed $26,286 (2019 $31,954) to Marrelli Support for the services of Vic Hugo to act as Chief Financial Officer of the Company. In addition, Marrelli Support also provides bookkeeping services to the Company. Vic Hugo is an employee of Marrelli Support. As at July 31, 2020, Marrelli Support was owed $50,364 (2019 $28,161) and this amount was included in accounts payable and accrued liabilities.

For the year ended July 31, 2020, the Company expensed $20,000 (2019 $nil) to Tim Peterson, a director of the Company, for consulting services. As at July 31, 2020, Tim Peterson was owed $30,000 (2019 $nil) and this amount was included in accounts payable and accrued liabilities

(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	
	Year Ended July 31		Year Ended July 31,		Year Ended July 31,	
	2020 ($)	2019 ($)	2020 ($)	2019 ($)	2020 ($)	2019 ($)
Rob Fia, Director and Officer	53,000	15,000	nil	34,219	53,000	49,219
Joseph Heng, Director	nil	nil	nil	3,422	nil	3,422
Tim Peterson, Director	10,000	nil	nil	3,422	10,000	3,422
Spencer Sunbun Huh, Director	nil	nil	nil	16,500	nil	16,500
Vic Hugo, Officer	nil	nil	nil	4,167	nil	4,167
Total	**63,000**	**15,000**	**nil**	**61,730**	**63,000**	**76,730**

(d) Insider shareholdings

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

As of July 31, 2020, directors and officers of the Company, with individual control of less than 10% of the total common shares outstanding, collectively control 8,798,744 common shares of the company or approximately 4% 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.

Share Capital

As of the date of this MD&A, the Company had 196,922,289 issued and outstanding common shares.

Stock options outstanding for the Company at the date of this MD&A were as follows:

Options	Expiry Date	Exercise Price
1,140,000	March 6, 2022	$0.10
450,000	January 17,2023	$0.10
750,000	January 23, 2023	$0.10
500,000	March 2, 2023	$0.10
700,000	May 8, 2023	$0.05
250,000	June 18, 2023	$0.05

150,000	July 5, 2023	$0.05
250,000	September 17, 2023	$0.05
13,950,000	August 20, 2025	$0.22
200,000	August 26, 2025	$0.22

Warrants outstanding for the Company at the date of this MD&A were as follows:

Warrants	Expiry Date	Exercise Price
6,000,000	April 27, 2021	$0.10
580,000	July 11, 2021	$0.10
1,000,000	August 13, 2025	$0.05
8,333,330	February 5, 2021	$0.05

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 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 consolidated financial statements; and (ii) the 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

The Company's financial condition, results of operation and business are subject to certain risks, certain of which are described below (and elsewhere in this MD&A):

Additional Funding Requirements

The Company is reliant upon additional equity financing in order to continue its business and operations, because it is in the business of mineral exploration and at present does not derive any income from its mineral assets. There is no guarantee that future sources of funding will be available to the Company. If the Company is not able to raise additional equity funding in the future, it will be unable to carry out its business.

Dependence on Key Personnel

The current management of the Company joined the firm in late 2009. The Company's success is dependent to a great degree upon its ability to attract and retain highly qualified management and scientific personnel and to develop and maintain relationships with leading research institutions. The Company is highly dependent on the principal members of its management as well as its advisors, collaborators and consultants. Competition for such personnel is intense and is affected by several factors beyond the control of the Company. The loss of such key employees, advisors, collaborators and consultants, could compromise the speed and success of the Company's research and development objectives and adversely affect the Company's future prospects. The Company is attempting to build a new management team to revitalize its operations and improve the performance of the Company. There is no key man insurance policy for any of its directors or management.

Proprietary Rights and Patent Protection

The Company has maintained its existing intellectual property for **TherOZap™** and through its trademark related to **InterceptCS™**. The failure to maintain the Company's intellectual property could put the Company at risk of competitive intellectual property through companies that are better funded which may have a material adverse impact on the Company.

Risk of Third Party Claims for Infringement

The Company is not aware of any of its technology or processes that infringe the proprietary rights of third parties. There can be no assurance, however, that third parties will not claim such infringement by the Company with respect to current or future technology or products of the Company. Dealing with any such claims, with or without merit, could be time-consuming, result in costly litigation, or require the Company to enter into royalty or licensing agreements, which may or may not be available on terms acceptable to the Company. The failure to do any of the foregoing may have a material adverse effect on the Company.

Dependence on Third Party Relationships

The Company relies upon third party relationships for assistance in the conduct of its research and development and expects to rely on third party relationships for manufacturing, marketing and commercialization of its products. There can be no assurance that the Company will be able to maintain or establish such arrangements on favorable terms, if at all, or that such arrangements will be successful. The failure to establish successful arrangements with third parties could have an adverse effect on the Company's future prospects.

Regulatory Environment

The procedure involved in obtaining regulatory approval from the competent authorities to market therapeutic products and devices and topical treatments is a long and expensive process that may delay or prevent product development. Any regulatory approval sought with the FDA in the USA to allow the Company to market a product in the USA may be applicable to a limited extent only or it may be refused in its entirety. Such limitations or refusal could have a material adverse effect on the sales and profitability of the Company. There can be no assurance that the Company will obtain such regulatory approval for **InterceptCS™** or **TherOZap™** or other products from the FDA on a timely basis, if at all.

Competition

Competition in the health products industry is intense. The Company will compete with other companies that are developing or have developed products designed to treat similar conditions. Many of these other companies have substantially greater resources than the Company. There can be no assurance that developments by other companies will not adversely affect the competitiveness of the Company's technologies or any products based thereon or the commitment of the Company's research collaborators to the Company's programs. The health products industry is also characterized by extensive research efforts and rapid technological change. Competition can be expected to increase as technological advances are made and commercial applications for health products increase. Competitors of the Company may use different technologies or approaches to develop products similar to the products which the Company is seeking to develop, or may develop new or enhanced products or processes that may be more effective and less expensive. There can be no assurance that any product developed by the Company will compete successfully or that research and new industry developments will not render the Company's products obsolete or uneconomical.

Manufacturing and Marketing

The Company has limited experience in large scale manufacturing and marketing of its products. There can be no assurance that any manufacturing and marketing efforts will be successful. The Company has to rely on third parties to manufacture and/or market products. Accordingly, the quality and commercial success of such products may be outside its control. There can be no assurance that the market will accept the Company's products, even if they prove to be safe and effective and are approved for marketing by the Therapeutic Products Directorate, Health Canada, FDA and other regulatory authorities.
Failure of or delay by a manufacturer of the Company's products to comply with Good Manufacturing Practices or similar quality control regulations or satisfy regulatory inspections may have a material adverse effect on the future prospects of the Company. Further, market penetration of the Company's products will

be influenced by factors including the cost-effectiveness and overall economic benefits that such products offer. Due to the lack of funds, the Company has not manufactured any products since 2009.

Product Liability and Insurance

The sale and use of existing products or those under development by the Company may entail risk of product or other liability. The obligation to pay any product liability claim or recall a product could have a material adverse effect on the business, financial condition and future prospects of the Company.

The Company has sold a small quantity of its existing products during the quarter. The Company's operating results may vary significantly from quarter to quarter.

The Company's operations and operating results have not improved much over the quarter due to lack of funds and significant revenues. The Company is unable to manufacture new products for introduction to the market. The Company expects this situation to improve once the Company has raised additional capital, secures a sale of all its existing inventory or licenses its technology.

Subsequent Events

- On August 5, 2020, the Company completed the closing of a non-brokered private placement of 16,666,667 units for gross proceeds of $1,250,000. Each Unit comprised of one common share of the Company and one half (0.5) of one common share purchase warrant, and each whole warrant will be exercisable for one additional common share of the Company at a price of $0.15 for a period of 6 months from the closing date of the private placement. No finder's fee was paid in conjunction with the Offering. Insiders of the Company purchased a total of 2,866,667 units under the private placement.

- On August 13, 2020, as part of the binding letter of intent with Orpheus to partner in the development of a rapid saliva test for the detection of the virus (SARS CoV 2) causing COVID 19, the Company issued to Orpheus of 1,000,000 common shares and 1,000,000 warrants exercisable at $0.05 per share with a 5 year expiry.

- On August 14, 2020, the Company settled aggregate debt of $370,000 outstanding as at June 30, 2020, in consideration for which it issued an aggregate of 4,625,000 common shares at a deemed price of $0.08 per share.

- On August 20 and August 26, 2020, the Company granted stock options to directors, officers and consultants of the Company of 13,950,000 and 200,000, respectively. The options are exercisable for a period of 5 years from date of issue, at a price of $0.22 per share.

- Subsequent to the year ended July 31, 2020, 9,075,0000 stock options and 800,000 warrants were exercised.

- Subsequent to the year ended July 31, 2020, the Company closed the transaction to acquire Benepod® pain relief technology and other innovative medical device technology from Saringer Life Science Technologies Inc. ("Saringer" or "SLST Inc.") in an all cash transaction for $425,000.

- Subsequent to the year ended July 31, 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 Bright 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. The Company has terminated its co-development agreement with Orpheus and key personnel from Orpheus will be consulted by Torion as required.