THERMA BRIGHT INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
QUARTERLY HIGHLIGHTS

FOR THE YEAR ENDED JULY 31, 2024

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, 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 audited annual consolidated financial statements of the Company for the years ended July 31, 2024 and 2023 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, 2024 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at November 28, 2024 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 the Company'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.sedarplus.ca** and on the Company's website at **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 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 2025, the Company's operating expenses are estimated to be $100,000 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, 2025, 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 and ongoing uncertainties
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, 2025	The research and development activities of the Company for the twelve-month period ending July 31, 2025 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 and ongoing uncertainties
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.	The Company 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 the Company'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 the Company'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, is a developer and partner in a range of proprietary diagnostic and medical device technologies focused on providing consumers and medical professionals that address some of today's most important medical and healthcare challenges. The Company's common shares trade on the TSX Venture Exchange (TSXV: THRM), the OTC Markets (OTCQB: TBRIF), and the Frankfurt Stock Exchange (FSE: JNX).

The Company is developing, acquiring, manufacturing and marketing proprietary healthcare and medical devices for the consumer and institutional marketplace focused on 3 key strategic areas: Respiratory Disease, Vascular Health and Consumer Medical Devices. Visit the Company's website at www.thermabright.com for more information.

Respiratory Disease portfolio

- AI4LYF Digital Cough Technology
- InStatin - novel inhaled treatment asthma & COPD

Vascular Disease Portfolio

- Inretio -Ischemic stroke treatment
- Venowave – Deep Vein Thrombosis Treatment Device (DVT)

Consumer Health Portfolio

- AcuVid™ Covid-19 Rapid Antigen Saliva Test
- Benepod - Contrast Therapy Device
- TheroZAP™ - Thermal Therapy Device
- InterceptCS ™- Cold Sore Prevention System

The Company holds trademarks for Therozap™ InterceptCS™ and AcuVid™ and patents pending and regulatory approval for Venowave, InterceptCS™ and Therozap™. The Company's initial breakthrough proprietary technology delivers effective, non-invasive, and pain-free skincare. Therma Bright received a Class II medical device status from the FDA for its platform technology that is indicated for the relief of the

pain, itch, and inflammation of a variety of insect bites or stings. The Company received clearance for the above claims from the US FDA in 1997.

Outlook and Overall Performance

In September 2023, the Company signed Hero LifeCare (herolifecare.com) to be a U.S. distribution partner for marketing and selling the Venowave device.

In September 2023, the Company entered into an agreement (the "Share Exchange Agreement") with 2740162 Ontario Inc., operating as August Therapeutics ("August") and Ketiko Bio Corp. ("Ketiko") (collectively the "Vendors"). Under the Share Exchange Agreement, the Company issued 55,000,000 shares to the Vendors (27,500,000 to each of the Vendors) in exchange for 4,159,904 shares in the capital of InVixa, Inc. from Ketiko (representing approximately 61% of the issued and outstanding shares therein), and 520,000 shares in the capital of InStatin, Inc. (representing approximately 17% of the issued and outstanding shares therein). Additionally an option provided the Company with the right to purchase up to an additional 577,386 shares in the capital of InStatin in consideration of cash payments of up to US$499,997. The Company did not exercise this option. In connection with the acquisition, the Company issued a finder's fee through the issuance of 3,472,222 shares in the Company's capital stock to an arm's length finder for its assistance in sourcing the transaction. During the year ended July 31, 2024, the Company further advanced $138,260 (US$100,000) to InStatin for as a simple agreement for future equity (SAFE) investment.

On March 21, 2024, the Company announced that it elected not to exercise a further stake in Inretio Ltd. ("Inretio") due to difficult capital markets for financing small capitalization companies. As at July 31, 2024, the Company maintains a 7.5% stake in Inretio.

On May 22, 2024, the Company granted of stock options to directors, officers and consultants to purchase up to an aggregate of 11,000,000 common shares of the Company. The options are exercisable for 3 years at a price of $0.05 per share. The options vested immediately.

On June 10, 2024, the Company completed the first tranche of a non-brokered private placement, wherein the Company issued 85,450,000 units (the "Units") at $0.01 per Unit for gross proceeds of $854,500. Each Unit consisted of one common share and one-half warrant. Each whole warrant entitles the holder to purchase one common share for $0.05 and expires in 3 years.

On June 19, 2024, the Company settled aggregate debt of $192,500, in consideration for which it issued an aggregate of 19,250,000 common shares valued at $0.02 per share.

On June 20, 2024, the Company completed the second and final tranche of a non-brokered private placement, wherein the Company issued 14,550,000 Units at $0.01 per Unit for gross proceeds of $145,500.

On July 3, 2024, the Company granted of stock options to directors, officers and consultants to purchase up to an aggregate of 10,631,000 common shares of the Company. The options are exercisable for 3 years at a price of $0.05 per share. The options vested immediately.

On July 8, 2024, the Company granted of stock options to a consultant to purchase up to an aggregate of 1,160,000 common shares of the Company. The options are exercisable for 3 years at a price of $0.05 per share. The options vested immediately.

During the year ended July 31, 2024, the Company recorded revenues of $26,070 (2023 - $23,899).

At July 31, 2024, the Company had a net working capital deficit of $1,473,998 (July 31, 2023 – net working capital deficit of $1,693,469). The Company had cash of $1,096 (July 31, 2023 - $182,235). The decrease in the working capital and cash equivalents is mainly due to net cash used in operation activities of $1,009,279. The Company's working capital is insufficient to maintain its general and administrative costs for the next 12 months. Management will adjust budgeted expenditures depending on product development results and ongoing volatility in the economic environment. See "Liquidity and Financial Position" and "Subsequent Events" below.

Description of Current Products

Covid-19 Diagnostic Test Product Line

AcuVid™ COVID-19 Rapid Antigen Saliva Test will offer a simple, low-cost, saliva- based, rapid screening solution for the rapid detection of the novel coronavirus (SARS-CoV-2), as well as other prevalent COVID-19 variants once regulatory approval is received

AcuVid™ COVID-19 Rapid Antibody Test (Therma Bright's white-labeled) is a simple pinprick antibody blood test that uses a small amount of blood. The antibody test is used for detecting antibodies of SARS-CoV-2 in those individuals currently infected with the virus or who have previously been infected but went undiagnosed or were unaware of their infection. It can also aid in detecting antibodies generated by those who have received a COVID-19 vaccine.

Sores & Bite Inflammation Therapy Product Line

The InterceptCS™ Cold Sore Prevention System is the first product clinically proven and approved for the prevention of cold sores. This Cold Sore Prevention System is comprised of an ergonomically designed hand-held unit and a disposable treatment activator, which is good for preventing a cold sore occurrence.

TherO*Zap*™ is the next generation in pain management relief using thermal therapy for insect bites and stings. The TherO*Zap*™ thermal relief therapy aims to reduce the inflammatory response, relieving the symptoms of pain, itch and inflammation associated with over 20,000 different insect bites and stings.

Muscle Pain & Blood Circulation Health Therapy Product Line

Venowave is a circulation booster designed to improve circulation in the lower extremities. The Venowave is a medical compression pump that is lightweight, compact, battery operated, designed to treat and alleviate the symptoms associated with poor circulation. When worn on the calf, the Venowave produces a peristaltic action which helps move blood from the feet and legs back to the heart. This increase in blood flow draws oxygen to wound and ulcer sites, prevents blood pooling and clotting, and alleviates symptoms of Post Thrombotic Syndrome and other Chronic Venous Insufficiencies

Benepod™ Hot & Cold Contrast Therapy Device for temporary pain relief without the use of medication. Benepod is especially powerful for relief of chronic pain, such as osteoarthritic joint pain, migraine headaches, neuropathic pain and many other chronic musculoskeletal aches and pains as well as short term painful issues, such as insect bites and localised aches. The Benepod provides symptomatic relief and pain management for people suffering chronic or acute pain.

Investments in Partners & Exclusive Licenses

InStatin & Invixa - Proprietary Inhaled Statin Therapy for Respiratory Disease

- PRE-CLINICAL STAGE: InStatin is a preclinical stage biopharma company specialized in developing proprietary inhaled therapies for respiratory diseases
- NOVEL INHALED TREATMENT: Lead candidate, INS-103, is a novel inhaled treatment for asthma and chronic obstructive pulmonary disease (COPD)
- Lead indication: Asthma, the most common chronic respiratory disease with ~46 mn patients in US and EU4/UK
- Significant unmet need for alternatives to inhaled corticosteroids due to the adverse side effects of chronic steroid use1
- 1st UP – ASTHMA TREATMENT: INS-103 will be developed first in asthma as a steroid-sparing agent in combination with standard of care, with potential efficacy enhancing effects, and next as a safer alternative to standard asthma treatments
- INS-103 will begin first-in-human trial within one year, and proof-of-concept data is expected in 2-2.5 years; the formulation has been tested in hamsters and mice without adverse effects at therapeutic doses; API has been tested extensively in pulmonary cells and lung tissue
- FOUNDERS: Founded and led by pioneers in inhalable drug development and a scientific leader in severe asthma and chronic lung diseases; leadership team has played key roles in the creation and approval of the first inhalable insulin, the first inhalable dry powder antibiotic, and the first inhaled protein

Inretio Inc. - Preva® ischemic stroke solution

ISCHEMIC STROKE SOLUTION Mechanical Thrombectomy is an interventional neuroradiology procedure of removing a blood clot (thrombus) from blood vessels. Current methods often lead to fragmentation of the blood clot. The fragments travel downstream and block smaller vessels. The physician needs to decide which fragments he can remove and whether the potential for disability as a result of the embolus is greater than the potential risk of removing it. The result is that only 29-38% (depending on the method) of cases regain sufficient (TICI*=3) revascularization.

PREVA™ CLOT RETRIEVER The first and only protective blood clot retriever using a distal basket. PREVA™ is the only blood clot retrieval device that can access distally to the clot. The device protects the brain during the procedure from sub-clots by "ensnaring" the clot and encapsulating it using our PREVA Basket. This allows the complete removal of the clot and its fragments to ensure revascularization of the brain tissue.

- GLP COMPLETED: Good Lab (GLP) Animal Study completed in May 2023 - The PREVA™ device achieved overall removal of 100% of the clot in 100% of the cases during the GLP study

- FIH: Inretio has received regulatory approval for First-in-Human (FIH) Trial approval from the Israeli Ministry of Health to conduct a human study at Sheba Hospital for its Preva® ischemic stroke solution.

AI4LYF- AI Powered Digital Cough Analyzer- Exclusive Global License

DIGITAL COUGH ANALYZER: AI-Driven Digital Cough Technology data collection application was designed to assist medical practitioners in monitoring their patients' respiratory health. Doctors who use the solution will receive diagnostic cough information data, so they can better diagnose and treat each patient. Once the monitoring is complete the data becomes available to medical practioner through a dashboard called a clinical decision assistant. The doctor can diagnose or treat patient with this information.

Therma Bright is applying for 513g FDA clearance with the aim of charging under Centers for Medicare & Medicaid Services (CMS) codes for patient reimbursement under Remote Therapeutic Monitoring (RTM).

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 March 2020, 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.

Selected Annual Financial Information

The following is selected financial data derived from the audited financial statements of the Company at July 31, 2024, 2023, and 2022.

	Years Ended July 31		
	2024 ($)	2023 ($)	2022 ($)
Revenue	26,070	23,899	139,427
Net loss for the year	2,451,307	3,763,772	5,881,072
Basic and diluted loss per share	0.01	0.02	0.03
Total assets	3,190,004	2,209,537	4,000,721

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 ($)	Income (loss)		Total Assets ($)	Non-current Liabilities ($)
		Total ($)	Per Share ($)		
October 31, 2022	5,948	(451,369)	(0.00)	3,461,597	84,651
January 31, 2023	6,543	(696,285)	(0.00)	2,777,442	38,591
April 30, 2023	4,877	(576,865)	(0.00)	2,662,073	32,129
July 31, 2023	6,531	(2,043,253)	(0.01)	2,209,537	25,392
October 31, 2023	6,587	(144,167)	(0.00)	4,068,543	18,258
January 31, 2024	7,795	(113,052)	(0.00)	4,040,990	10,722
April 30, 2024	4,932	(322,259)	(0.00)	4,133,468	2,749
July 31, 2024	6,756	(1,871,829)	(0.00)	3,190,004	Nil

Discussion of Operations

Three months ended July 31, 2024, compared with three months ended July 31, 2023

The Company's net loss totaled $1,871,829 for the three months ended July 31, 2024, with basic and diluted loss per share of $0.00. This compares with a net loss of $2,043,253 with basic and diluted loss per share of $0.01 for the three months ended July 31, 2023. The change in net loss was principally because:

- Revenue remained similar at $6,756 for the three months ended July 31, 2024 (2023 - $6,531).
- General and administrative expenses decreased to $341,240 (2023 - $1,571,646) mainly due to decrease in external consultants, promotion and marketing, and other support costs.
- Research and development decreased to $9,690 for the three months ended July 31, 2024 (2023 - $389,193), as the Company incurred less research costs related AI4LYF Digital Cough Technology in 2024 compared to 2023.
- Stock-based compensation increased to $299,010 for the three months ended July 31, 2024 (2023 - $nil). Stock-based compensation varies based on the value of stock options granted and vesting during the period.

- Change in fair value of investments increased to a gain of $178,198 for the three months ended July 31, 2024 (2023 – loss of $7,141) due to the fluctuations in the fair value of the Company's investments.
- Loss on debt settlement increased to $192,500 for the three months ended July 31, 2024 (2023 - $nil) due to the difference in value of debt settled and the shares issued.
- Impairment loss increased to $1,057,675 for the three months ended July 31, 2024 (2023 - $nil) as the Company recognized an impair loss on its intangible assets during the current period.

Year ended July 31, 2024, compared with year ended July 31, 2023

The Company's net loss totaled $2,451,307 for the year ended July 31, 2024, with basic and diluted loss per share of $0.01. This compares with a net loss of $3,767,772 with basic and diluted loss per share of $0.02 for the year ended July 31, 2023. The change in net loss was principally because:

- Revenue remained similar at $26,070 for the year ended July 31, 2024 (2023 - $23,899).
- General and administrative expenses decreased to $852,114 (2023 - $3,180,457) mainly due to decrease in external consultants, promotion and marketing, and other support costs.
- Research and development decreased to $9,690 for the year ended July 31, 2024 (2023 - $446,577), as the Company incurred less research costs related AI4LYF Digital Cough Technology in 2024 compared to 2023.
- Stock-based compensation increased to $299,010 for the year ended July 31, 2024 (2023 - $nil). Stock-based compensation varies based on the value of stock options granted and vesting during the period.
- Change in fair value of investments increased to a gain of $178,198 for the year ended July 31, 2024 (2023 – loss of $7,141) due to the fluctuations in the fair value of the Company's investments.
- Loss on debt settlement increased to $192,500 for the year ended July 31, 2024 (2023 - $nil) due to the difference in value of debt settled and the shares issued.
- Impairment loss increased to $1,057,675 for the year ended July 31, 2024 (2023 - $nil) as the Company recognized an impair loss on its intangible assets and goodwill in 2024.

Liquidity and Financial Position

At July 31, 2024, the Company had a net working capital deficit of $1,473,998 (July 31, 2023 – net working capital deficit of $1,693,469).

Cash used in operating activities was $1,009,279 for the year ended July 31, 2024. Operating activities were affected by net loss of $2,451,307, adjusted by stock-based compensation of $299,010, shares issued for services of $60,764, interest expense of $8,604, interest income of $20,055, change in fair value of investments of $178,198, depreciation and amortization of $99,514, impairment of promissory note receivable of $129,930, loss on debt settlement of $192,500, impairment loss of $1,057,675, and changes in non-cash working capital items totaling $207,716.

Cash used in investing activities included investments of $138,260 for the year ended July 31, 2024.

Cash provided by financing activities was $966,400 for the year ended July 31, 2024. Financing activities were affected by issuance of shares of $1,000,000, partially offset by lease payments of $33,600.

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 2025, the Company's expected operating expenses are estimated to average $100,000 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 net working capital deficit of $1,473,998 as at July 31, 2024, which is insufficient to maintain its general and administrative costs for the next 12 months.

New Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2023.

IAS 1 Presentation of Financial Statements ("IAS 1") – Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to IAS 1. The amendments aim to promote consistency in applying the requirement by helping companies determine whether, in the consolidated statements of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Adoption of these amendments had no significant effect on the Company's consolidated financial statements.

Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2, Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policies disclosures that are more useful by replacing the requirement for entities to disclose "significant" accounting policies with a requirement to disclose their "material" accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after January 1, 2023. Since the amendments to IFRS Practice Statement 2 provide non-mandatory guidance on the application of definition of material to accounting policy information, an effect date for these amendments is not necessary. The amendments had no material effect on the Company's consolidated financial statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") – Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a new definition of "accounting estimates". The amendments are designed to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. The amended standard explains how entities use measurement techniques and inputs to develop accounting estimates and states that these can include estimation and valuation techniques. The amendments become effective for annual reporting periods beginning on or after January 1, 2023. Adoption of these amendments had no significant effect on the Company's consolidated financial statements.

IAS 12, Income Taxes ("IAS 12") – Deferred Tax related to Assets and Liabilities Arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12. The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal taxable and deductible temporary differences. As a result, companies will need to recognize a deferred tax asset and deferred tax liability for temporary differences arising on initial recognition of transactions such as leases and decommissioning obligations. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and are to be applied retrospectively. Adoption of these amendments had no significant effect on the Company's consolidated financial statements.

All other IFRSs and amendments issued but not yet effective have been assessed by the Company and are not expected to have a material impact on the Company's consolidated 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.

Financial Instruments and Risk Management

Financial risk management

The Company is exposed through its operations to the following financial risks:

- Credit risk
- Currency risk
- Liquidity risk

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents, accounts receivable, and promissory notes receivable. Cash and cash equivalents are held with select major Canadian chartered banks, from which management believes the risk of loss to be minimal.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The operating results and financial position of the Company are reported in Canadian dollars. The Company's operations are in Canada. The Company considers this risk to be minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company monitors its liquidity position regularly to assess whether it has the funds necessary to pay for the general and administrative expenses necessary to maintain the Company's books and records as well as its listing on the TSXV. However, as a company without a significant internally generated cash flow, there are inherent liquidity risks, including the possibility that additional financing may not be available to the Company, or that 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 past share issuances. As at July 31, 2024, the Company had cash of $1,096 (July 31, 2023 - $182,235) to settle current liabilities of $1,865,673 (July 31, 2023 - $2,139,353). The Company's financial liabilities, except lease liability, have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity and the Company's ability to continue as a going concern. The Company's ability to continually meet its obligations and carry out its planned operations is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

Capital Risk 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
- 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 financial markets in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, or

adjusting spending. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital structure to consist of shareholders' equity, which at July 31, 2024 totaled $1,324,331 (July 31, 2023 - $44,792). The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company is not subject to any capital requirements imposed by a lending institution.

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, 2024, the Company expensed $34,930 (2023 - $23,942) to Marrelli Support for the services of an employee of Marrelli Support to act as the Chief Financial Officer of the Company. In addition, Marrelli Support also provides bookkeeping services to the Company. As at July 31, 2024, Marrelli Support was owed $8,791 (July 31, 2023 - $640) and this amount is included in accounts payable and accrued liabilities.

For the year ended July 31, 2024, the Company expensed $187,500 (2023 - $218,750) to Intelvest, a company controlled by a director and officer of the Company, for the management services of Rob Fia to act as Chief Executive Officer ("CEO") of the Company. As at July 31, 2024, $711,929 (July 31, 2023 - $631,250) is included in accounts payable and accrued liabilities and was payable to key management personnel.

(b) Remuneration of directors and key management personnel of the Company was as follows:

	Year ended July 31, 2024 ($)	Year ended July 31, 2023 ($)
Share-based compensation	80,950	Nil

As at July 31, 2024, directors and key management personnel of the Company were owed $10,000 (July 31, 2023 - $10,000) for remuneration and reimbursable expenses.

As at July 31, 2024, the Company had advanced $41,610 (July 31, 2023 - $ 46,000) to the CEO for reimbursable expenses.

(c) The Company entered into a consulting agreement for the services of City View Green Holdings Inc. ("CVGR"), a company with common officers and directors, to develop a pain formulation containing CBD for use with the Company's product portfolio. As part of the agreement, the Company advanced $200,000 to CVGR pursuant to a 2-year promissory note with a 10% interest rate. The promissory note

is to be reviewed annually to calculate the value of services performed by CVGR. The promissory note is due and receivable on demand by the Company in the event this agreement is terminated. As at July 31, 2024, the Company determined that a portion of the promissory note is not recoverable and recorded an impairment loss on the promissory note receivable of $129,930. Subsequent to July 31, 2024, the Company settled the promissory note in consideration for 6,655,700 common shares of CVGR.

Share Capital

As of the date of this MD&A, the Company has 451,632,147 issued and outstanding common shares, 43,516,000 stock options with weighted average exercise price of $0.17 and 74,335,000 warrants with weighted average exercise price of $0.15.

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.

Subsequent Events

On August 12, 2024, 3,000,000 stock options expired unexercised.

On September 12, 2024, the Company issued stock options to directors, officers and consultants to purchase up to 3,300,000 common shares of the Company. The options are exercisable for 3 years at a price of $0.08 per share. The options vested immediately.

On October 10, 2024, the Company closed the first tranche of a non-brokered private placement, wherein the Company issued 2,915,000 common shares at $0.06 per share for gross proceeds of $174,900. Rob Fia, the CEO, President and a director of the Company, participated in the private placement and purchased 415,000 common shares for $24,900.

On October 18, 2024, the Company issued 5,056,250 common shares to settle aggregate debt of $404,500. Certain directors and officers participated in the debt settlement transactions and received 593,750 shares in consideration for settlement of aggregate debt of $47,500.

On November 11, 2024, the Company issued 8,495,042 common shares to settle aggregate debt of $297,326 with arm's length creditors.

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 medical devices and at present derives minimal income from its medical devices . 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. The Company has not manufactured any products since 2022.

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.

Reporting Requirements

As a reporting issuer, the Company is subject to reporting requirements under applicable securities law and exchange policies. Compliance with these requirements increases legal and financial compliance costs, makes some activities more difficult, time consuming and costly and increases demand on existing Company systems and resources. Among other things, the Company is required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures over financial reporting. During the course of engaging with auditors to prepare reports and review the Company's financial results, various factors may lead to delays in the preparation, and potentially the filing of the Company's financial results. Despite management's diligent efforts to comply with auditor requests and provide the necessary documentation, there is no assurance that all requirements will be met to facilitate the timely issuance of an audit report. Additionally, regulatory challenges associated with the Canadian Public Accountability Board (CPAB) and other oversight bodies, or disagreements between management and auditors regarding accounting policies, fair market valuations of non-recurring transactions, differing interpretations of accounting standards, or assessments of the company's business model can further contribute to delays. Failure to comply with deadlines may result in regulatory penalties,

loss of investor confidence, and potential reputational damage. These outcomes could adversely impact the Company's operational efficiency, financial reporting, and overall market position.