

This prospectus does not constitute a public offering of any securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PROSPECTUS

NON-OFFERING

DATED: September 29, 2021

BUZBUZ CAPITAL CORP. (a capital pool company)

No securities are being offered pursuant to this prospectus (the "**Prospectus**"). This Prospectus is being filed with the Ontario Securities Commission to enable BuzBuz Capital Corp. ("**Buz**" or the "**Corporation**"), a capital pool company pursuant to Exchange Policy 2.4 – *Capital Pool Companies* (the "**CPC Policy**"), to complete its Qualifying Transaction as defined under the CPC Policy with Inolife R&D Inc. ("**Inolife**") (the "**Proposed Qualifying Transaction**"). Since no securities are being sold pursuant to this Prospectus, no proceeds will be raised pursuant to this Prospectus. All expenses in connection with the preparation and filing of this Prospectus will be paid by the Corporation and Inolife from working capital.

The Corporation was formed as a capital pool company on February 26, 2018, and completed the initial public offering of its Common Shares on May 24, 2019 at an issue price of \$0.10 per Common Share. The Common Shares were listed for trading on the Exchange on May 28, 2019, under the symbol "BZBZ.P". The Corporation's business has been restricted to the identification and evaluation of assets and businesses in connection with a potential Qualifying Transaction and, upon identifying and evaluating such opportunities, to negotiate an acquisition or participation subject to acceptance by the Exchange. The Corporation and Inolife entered into the Business Combination Agreement on October 1, 2020 pursuant to which the Corporation will acquire all of the securities of Inolife by way of a three-cornered amalgamation. The Proposed Qualifying Transaction is intended to serve as the Corporation's Qualifying Transaction under the CPC Policy.

The Proposed Qualifying Transaction must be approved by the Exchange in accordance with the CPC Policy. Except as specifically contemplated in the CPC Policy, until completion of the Proposed Qualifying Transaction, the Corporation has not carried on and will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction. As of the date of this Prospectus, the Common Shares are listed on the Exchange under the symbol "BZBZ.P". Trading of the Common Shares was halted on August 7, 2020, following the announcement of the Proposed Qualifying Transaction pursuant to the policies of the Exchange. At the time of the trading halt, the Common Shares closed at a trading price of \$0.17 per Common Share.

No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Neither the Exchange nor any securities regulatory authority has in any way passed upon the merits of the Proposed Qualifying Transaction described in this Prospectus.

An investment in the Resulting Issuer is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Resulting Issuer, including risks related to: limited operating history; research and development costs; additional clinical trials and testing; additional regulatory approvals and agencies; approval procedures in other countries; product liability; additional requirements for capital; lack of operating cash flow; market acceptance of the products; acquisition, development and commercialization of addition product candidates; attraction and retention of qualified personnel; competition; collaborators, partners and manufacturers; intellectual property rights related risks; market risk for securities; smaller companies and conflicts of interests. For a complete discussion of the risks associated with the Resulting Issuer and the Completion of the Transaction, see "*The Resulting Issuer – Risk Factors*".

The Corporation was only recently incorporated, does not own any ongoing business operations and has no assets other than cash and cash equivalents, and its listing on the Exchange. There is no assurance that the Corporation will

successfully complete the Proposed Qualifying Transaction, or even if it does, that the business of the Resulting Issuer will be profitable or will succeed. Moreover, additional funds may be required to accomplish the business objectives of the Resulting Issuer, and the Resulting Issuer may not be able to obtain such financing or may not be able to raise sufficient funds. If future business activities of the Resulting Issuer are financed by the issuance of Resulting Issuer Shares from treasury, control of the Resulting Issuer may change and shareholders may suffer additional dilution. Holders of Resulting Issuer Shares may be unable to enforce Canadian statutory and civil remedies against non-residents.

The head and registered office of the Corporation is located at 82 Richmond St. East, Toronto, Ontario, M5C 1P1.

Both Nicky Canton and Karen Dunlap reside outside of Canada and have appointed the following agent for service of process:

Dunton Rainville LLP	Place Victoria, 43rd floor 800 Square Victoria, C.P.303 Montreal H4Z 1H1

Prospective investors are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

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NOTICE CONCERNING FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "estimates", "intends", "anticipates" or "believes", or variations of such words and phrases (or the negative form thereof), or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect beliefs of management of Buz or Inolife and are based on information currently available to management of Buz or Inolife.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Resulting Issuer to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; delays in obtaining governmental approvals or financing, as well as those factors discussed in the section titled "Risk Factors". See "*The Resulting Issuer – Risk Factors*".

Such forward-looking statements are based on a number of assumptions, which may prove to be incorrect, including, but not limited to: the ability of Buz, Inolife or the Resulting Issuer, as the case may be, to obtain necessary financing; satisfy conditions under the Business Combination Agreement; satisfy the requirements of the TSXV and the CPC Policy with respect to the Transaction and the Private Placement; the Resulting Issuer's activities; the availability and final receipt of required approvals, licenses and permits, including in countries other than Canada; that sufficient working capital is available to complete the proposed business objectives; that no product liability claims are brought against the Resulting Issuer; that contracted parties provide goods and/or services on the agreed upon time frames; that the Resulting Issuer's products are accepted by the medical community and patient population; that the Resulting Issuer is able to identify, select and acquire promising product candidates; that the Resulting Issuer is able to secure and/or retain appropriate personnel; that the equipment necessary for manufacturing of the Resulting Issuer's products is available as scheduled and does not incur unforeseen break downs; that the Resulting Issuer is able to expand its technological capabilities, as needed, to remain competitive; that no labour shortages or delays are incurred and that no unusual technical problems occur; that the Resulting Issuer does not experience significant cost overruns on its programs; and the anticipated and unanticipated costs, including the cost associated with the Resulting Issuer's business plan.

While Buz, Inolife, or the Resulting Issuer, as the case may be, anticipate that subsequent events and developments may cause its views to change, Buz, Inolife, or the Resulting Issuer, as the case may be, specifically disclaim any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing Buz's, Inolife's or the Resulting Issuer's views as of any date subsequent to the date of this Prospectus. Although Buz, Inolife and the Resulting Issuer have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

GENERAL DISCLOSURE INFORMATION

Unless otherwise stated, the information contained in this Prospectus is given as of September 29, 2021.

No person has been authorized by Buz or Inolife to give any information or make any representations in connection with the Transaction herein described other than those contained in this Prospectus and, if given or made, any such information or representation must not be relied upon as having been authorized by Buz or Inolife, as applicable.

All information contained in this Prospectus with respect to Buz has been supplied by Buz for inclusion herein, and with respect to that information, Inolife and its directors and officers have relied solely on Buz. Based on its due diligence conducted in this respect, Inolife has no reason to believe that such information is not accurate.

All information contained in this Prospectus with respect to Inolife has been supplied by Inolife for inclusion herein, and with respect to that information, Buz and its directors and officers have relied solely on Inolife. Based on its due diligence conducted in this respect, Buz has no reason to believe that such information is not accurate.

Unless otherwise indicated or the context otherwise requires, all dollar amounts in this Prospectus are in Canadian dollars.

GLOSSARY

The following is a glossary of capitalized and other terms and abbreviations used frequently throughout this Prospectus.

"**8687510**" means 8687510 Canada Ltd.

"**Affiliate**" means a company that is affiliated with another company as described below:

A company is an "Affiliate" of another company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A company is "controlled" by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

"**Agent**" means Canaccord Genuity Corp., the agent retained by Inolife to sell, on a commercially reasonable efforts basis, the Private Placement for aggregate gross proceeds of \$6,000,000 in Inolife PP Units.

"**Agent's Warrants**" means the 1,200,000 warrants entitling the Agent to acquire that number of Inolife PP Units which is equal to 8% of the number Inolife PP Units sold under the Private Placement at an exercise price of \$0.40 per unit.

"**Amalco**" means the corporation that will result from the Amalgamation, and which will be a wholly owned subsidiary of the Resulting Issuer after giving effect to the Amalgamation.

"**Amalco Shares**" means the common shares in the capital of Amalco.

"**Amalgamation**" means the amalgamation of Inolife with Newco to create Amalco by way of a "three cornered amalgamation" with Buz pursuant to the terms of the Amalgamation Agreement and the Business Combination Agreement.

"**Amalgamation Agreement**" means the amalgamation agreement to be entered into between Buz, Inolife and Newco.

"**Associate**" when used to indicate a relationship with a Person or company, means

- (a) an issuer of which the Person or company beneficially owns or controls, directly or indirectly, voting securities entitling him or it to more than 10% of the voting rights attached to outstanding securities of the issuer,
 - (i) any partner of the Person or company,

- (ii) any trust or estate in which the Person or company has a substantial beneficial interest or in respect of which a Person or company serves as trustee or in a similar capacity,
- (iii) in the case of a Person, a relative of that Person, including
 - (A) that Person's spouse or child, or
 - (B) any relative of the Person or of his spouse who has the same residence as that Person;
- (iv) where the TSXV determines that two Persons shall, or shall not, be deemed to be associates with respect to a member firm, member corporation or holding company of a member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that member firm, member corporation or holding company.

"Audit Committee" means the audit committee of the Board of Buz or the Resulting Issuer, as applicable.

"Audit Committee Charter" means the audit committee charter of Buz or the Resulting Issuer, as applicable, adopted by the Board of Buz and in effect as of the date of this Prospectus, as amended from time to time, which are attached to this Prospectus as Appendix "A".

"Board" means the board of directors of Buz or the Resulting Issuer, as the context requires.

"Bridge Financing" means a non-brokered private placement for gross proceeds of up to \$455,000 of convertible debenture units of Inolife, each unit being comprised of a \$1,000 unsecured convertible debenture bearing an interest rate of 10% per annum, due on the date that is thirty-six months from the closing date, convertible to acquire one (1) Inolife Share at a conversion price of \$0.10 per share.

"Business Combination Agreement" means the business combination agreement dated October 1, 2020, between Buz and Inolife, pursuant to which Buz will acquire all of the securities of Inolife by way of a three-cornered amalgamation.

"Buz" or "Corporation" or "Issuer" means BuzBuz Capital Corp. prior to the Completion of the Transaction.

"Buz Consideration Shares" means the RI Shares to be issued to the Inolife Shareholders in connection with the Transaction (after giving effect to the Private Placements and the Buz Consolidation and the Inolife Consolidation);

"Buz Consolidation" means the consolidation of all of the issued and outstanding Common Shares of Buz on the basis of two (2) pre-consolidated Common Shares for one (1) post-consolidated Common Shares, by amending the articles of Buz.

"Buz Director Appointments" means, subject to the completion of the Amalgamation, the reconstitution of the Board of Buz to consist of six (6) directors being Michael Wright, Derek Lindsay, Karen Dunlap, John Leombruno, William Cleman and Michael Wekerle;

"Buz Financial Statements" means the audited financial statements of Buz for the years ended December 31, 2019 and 2020, and the unaudited interim financial statements of Buz for the six months ended June 30, 2021, which are attached to this Prospectus as Appendix "B".

"Buz Meeting" means the annual and special meeting of Buz Shareholders held on March 10, 2021 for the approval of, among other things, the Buz Consolidation, the Buz Director Appointments and the Name Change.

"Buz Options" means the 900,000 stock options to purchase Buz Shares, granted to Buz's directors, officers, employees, contractors and other eligible persons, each of which is exercisable to acquire one (1) Buz Share at exercise price of \$0.10 per share exercisable prior to May 24, 2024.

"Buz Shareholders" means the holders of Buz Shares.

"Buz Shares" means the common shares in the capital of Buz.

"Care4Pharma" means Care4Pharma B.V., a private company with limited liability incorporated under the laws of Netherlands.

"CBCA" means the *Canada Business Corporations Act*, as amended.

"CE Mark" – means the Conformité Européenne Mark, European Union's mandatory conformity marking for regulating the goods sold within the European Economic Area.

"CEO" means Chief Executive Officer.

"CFO" means Chief Financial Officer.

"CHEO-RI" means the Children's Hospital of Eastern Ontario Research Institute.

"COO" means Chief Operating Officer.

"Closing" means the closing of the Transaction.

"Common Shares" means the common shares in the capital of Buz.

"company" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"Completion of the Transaction" means the date that the Final Exchange Bulletin is issued by the Exchange.

"Control Person" means, in respect of an issuer, any Person or company that holds, or is one of a combination of Persons or companies that holds, a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer, except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

"CPC" means a corporation:

- (a) that has been incorporated or organized in a jurisdiction in Canada,
- (b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and
- (c) in regard to which the completion of a Qualifying Transaction has not yet occurred.

"CPC Escrow Agreement" means an escrow agreement dated September 17, 2021 among the Corporation, Computershare Trust Company of Canada, as escrow agent, and certain Buz Shareholders.

"CPC Escrow Shares" means the 7,000,000 Common Shares held in escrow pursuant to the CPC Escrow Agreement.

"CPC Policy" means the Exchange Policy 2.4 – Capital Pool Companies.

"Effective Date" means the date the Amalgamation becomes effective under the CBCA, as evidenced by the date shown on the Certificate of Amalgamation. Effective Date shall occur within five (5) business days following the later of: (i) the receipt of shareholder approval by Inolife Shareholders of the special business at the Inolife Meeting; (ii) the receipt of shareholder approval by Buz Shareholders of the special business at the Buz Meeting; (iii) the completion of the Private Placement; and (iv) the satisfaction of all conditions imposed by the TSXV or any other regulatory requirements.

"Effective Time" means 12:01 a.m. on the Effective Date or such other time as Inolife and Buz may agree in writing.

"EPG" means European Pharma Group B.V., a private company with limited liability incorporated under the laws of Netherlands.

"EPG Hong Kong" means European Pharma Group Limited, a wholly owned subsidiary of EPG.

"EPG Shenzhen" means European Pharma Group (Shenzhen) Ltd., a wholly owned subsidiary of EPG Hong Kong.

"Escrow Release Conditions" means the following conditions that must be satisfied on or prior to the Escrow Release Deadline:

- (a) the satisfaction or waiver of all conditions precedent to the completion of the proposed Transaction, to the satisfaction of the Agent, acting reasonably;
- (b) the receipt of all required shareholder, regulatory and court approvals, including without limitation, the conditional approval of the Exchange (as defined below) for the listing and the Transaction;
- (c) Inolife having delivered a certificate addressed to the Agent certifying that the conditions in (i) and (ii) above have been satisfied; and
- (d) Inolife and the Agent having delivered a joint direction to the Escrow Agent confirming that the conditions set forth above have been met or waived.

"Escrow Release Deadline" means September 30, 2021, or such other date agreed to by Inolife and the Agent.

"Exchange" or **"TSXV"** means the TSX Venture Exchange.

"Exchange Ratio" means the exchange of one (1) post-consolidated Buz Share for each one (1) post-consolidated Inolife Share held by Inolife Shareholders.

"Final Exchange Bulletin" means the Exchange Bulletin which is issued following closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction.

"Inojex" means Inolife's trademarked liquid jet needle-free technology system.

"Inolife" or **"Target"** means Inolife R&D Inc., prior to completion of the Name Change and Transaction, a private company incorporated pursuant to the CBCA.

"Inolife Board" means the Board of Directors of Inolife.

"Inolife Consolidation" means the consolidation of all of the issued and outstanding common shares of Inolife on the basis of three (3) pre-consolidated common shares for one (1) post-consolidated common share in the share capital of Inolife.

"Inolife Convertible Debentures" means (i) the convertible debentures of Inolife in the aggregate principal amount of €6,235,000, the principal amount of which will be subject to adjustment in CAD at the prevailing EUR/CAD

exchange rate at the time of listing in accordance with its terms, which is convertible into Inolife Shares at a price of \$0.95 per share within 5 years of the closing of the first round of financing of Inolife; and (ii) the convertible debentures of Inolife to be issued pursuant to the Bridge Financing.

"Inolife Convertible Securities" means collectively (i) the Inolife Options; (ii) the Inolife Warrants; (iii) the Inolife PP Warrants; and (iv) the Inolife Convertible Debentures.

"Inolife Financial Statements" means the audited financial statements of Inolife for the years ended December 31, 2018, 2019 and 2020, and the unaudited interim financial statements of Inolife for the six months ended June 30, 2021, which are attached to this Prospectus as Appendix "C".

"Inolife Meeting" means the March 19, 2021 special meeting of Inolife Shareholders for the approval of the Inolife Consolidation and the Amalgamation.

"Inolife Options" means the stock options to purchase Inolife Shares granted to Inolife's directors, officers, employees, contractors and other eligible persons, of which, as of the date hereof, there are 750,000 Inolife Options issued and outstanding, each of which is exercisable to acquire one (1) Inolife Share at exercise prices ranging between \$0.07 and \$0.30 per share having expiry dates between October 31, 2021 and September 1, 2022.

"Inolife PP Units" means the units of Inolife to be issued upon conversion of the Inolife Sub-Receipts pursuant to the Private Placement, which each Inolife PP Unit comprised of one (1) Inolife Share and one-half (1/2) Inolife PP Warrant.

"Inolife PP Warrants" means the common share purchase warrants of Inolife to be issued as part of the Inolife PP Units upon conversion of the Inolife Sub-Receipts, with each whole Inolife PP Warrant exercisable to acquire one (1) Inolife Share at an exercise price of \$0.70 per share for a period of 12 months following the date the Escrow Release Conditions are satisfied.

"Inolife Securities" means the Inolife Shares, the Inolife Options, the Inolife Convertible Debentures and the Inolife Warrants.

"Inolife Shareholders" means the holders of the Inolife Shares.

"Inolife Shares" means the common shares in the capital of Inolife.

"Inolife's Subsidiaries" means, collectively, EPG, EPG Hong Kong, and EPG Shenzhen.

"Inolife Stock Option Plan" means the stock option plan adopted by Inolife Board on January 15, 2018.

"Inolife Sub-Receipts" means the subscription receipts to be issued by Inolife pursuant to the Private Placement where each Inolife Sub-Receipt is offered at a price of \$0.40 per subscription receipt and convertible into one (1) Inolife PP Unit.

"Inolife Warrants" means the common share purchase warrants of Inolife, of which, as of the date hereof, there are 24,157,978 Inolife Warrants issued and outstanding, each of which is exercisable to acquire one (1) Inolife Share at exercise prices ranging between \$0.10 and \$0.30 per share and having expiry dates between October 1, 2021 and August 31, 2023.

"Insider" if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of the company that is an Insider or subsidiary of the issuer;

- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities.

"InsuJet™" means Inolife's trademarked spring-powered subcutaneous liquid jet needle-free technology system.

"Introductory Fee" means the introductory fee payable to each of the Agent and Christopher James Brown (or his assignee) representing one percent (1%) to be calculated based on a pre-money valuation of the combined value of both Inolife and Buz and will be paid in Inolife PP Units. Each Inolife PP Unit is comprised of one (1) Inolife Share at an exercise price of \$0.40 per share and one-half (1/2) Inolife PP Warrant.

"IPO" means the initial public offering of the Common Shares, which closed on May 24, 2019.

"Name Change" means the name change of Buz to "NuGen Medical Devices Inc." upon Completion of the Transaction, or such other similar name as may be accepted by the relevant regulatory authorities and approved by the Board of the Resulting Issuer.

"Nanojex" means Inolife's patented nanoparticle powder needle-free technology systems.

"New Stock Option Plan" means the amended and restated Stock Option Plan approved by the Buz Shareholders at the Buz Meeting.

"Newco" means a corporation to be incorporated pursuant to the CBCA and which will be a wholly-owned subsidiary of Buz, solely created to affect the Amalgamation and complete the Proposed Qualifying Transaction.

"Non-Arm's Length Party" means in relation to a company, a promoter, officer, director, other Insider or Control Person of that company (including an issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person.

"Non-Arm's Length Qualifying Transaction" means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

"OBCA" means the Business Corporations Act (Ontario), as amended.

"OSC" means the Ontario Securities Commission.

"Person" means a company or individual.

"Principal" means:

- (a) a Person who acted as a promoter of an issuer within two years or its Associates or Affiliates, before the IPO prospectus or the Final Exchange Bulletin,
- (b) a director or senior officer of an issuer or any of its material operating subsidiaries at the time of the IPO prospectus or the Final Exchange Bulletin,
- (c) a 20% holder – a Person that holds securities carrying more than 20% of the voting rights attached to an issuer's outstanding securities immediately before and immediately after the issuer's IPO or immediately after the Final Exchange Bulletin for non-IPO transactions, or
- (d) a 10% holder – a Person that:

- (i) holds securities carrying more than 10% of the voting rights attached to an issuer's outstanding securities immediately before and immediately after the issuer's IPO or immediately after the Final Exchange Bulletin for non-IPO transactions, and
- (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of an issuer or any of its material operating subsidiaries,

A Principal's spouse, and relatives that live at the same address as the Principal, will also be treated as Principal(s) and any securities of an issuer held will be subject to escrow requirements.

"Private Placement" means the brokered private placement financing, on a commercially reasonable efforts basis, of up to 15,000,000 Inolife Sub Receipt for aggregate gross proceeds of \$6,000,000, assuming exercise in full of the over-allotment option.

"Pro Forma Financial Statements" means the unaudited pro forma consolidated financial statement for the Resulting Issuer, to give effect to the Transaction as if they had taken place as of June 30, 2021, which are attached to this Prospectus as Appendix "E".

"Proposed Qualifying Transaction" or **"Transaction"** means the indirect acquisition of Inolife by Buz through the Amalgamation.

"Prospectus" means this prospectus dated September 29, 2021.

"Qualifying Transaction" means a transaction whereby a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means, and, specifically in the case of Buz, means the Transaction, as more particularly described herein.

"Resulting Issuer" means the issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin, and specifically as referred to in this Prospectus, means Buz following Completion of the Transaction, the Buz Consolidation and issuance of the Final Exchange Bulletin.

"RI Convertible Debentures" means the convertible debentures of the Resulting Issuer to be issued by the Resulting Issuer in exchange for the Inolife Convertible Debentures, which remain issued and outstanding on Closing.

"RI Convertible Securities" means collectively (i) the RI Options; (ii) the RI Warrants; and (iii) the RI Convertible Debentures.

"RI Options" means the stock option to purchase RI Shares to be issued by the Resulting Issuer in exchange for the Inolife Options, which remain issued and outstanding on Closing.

"RI Securities" means the RI Shares, the RI Options, the RI Convertible Debentures and the RI Warrants.

"RI Shareholders" means the holders of RI Shares.

"RI Shares" means the common shares of the Resulting Issuer.

"RI Warrants" means the warrants to purchase the RI Shares to be issued by the Resulting Issuer in exchange for the Inolife Warrants, which remain issued and outstanding on Closing.

"Significant Assets" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any concurrent transactions, would result in the CPC meeting the minimum listing requirements of the Exchange, and specifically as referred to in this Prospectus, means the business of Inolife.

"Stock Option Plan" means Buz's stock option plan approved by the directors of the Corporation on February 26, 2018.

PROSPECTUS SUMMARY

The following is a summary of certain information contained in this Prospectus, and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Certain capitalized terms and phrases used in this Prospectus are defined in the "Glossary".

CORPORATION

BuzBuz Capital Corp. was incorporated on February 26, 2018 pursuant to the provisions of the OBCA. The principal and registered office of Buz is located at 82 Richmond East Street, Toronto, Ontario, M5C 1P1. Buz completed its IPO of Common Shares at an issue price of \$0.10 per Common Share on May 24, 2019 for gross proceeds of \$250,000. Following its IPO, Buz qualified as a CPC and the Common Shares were listed for trading on May 28, 2019 under the trading symbol "BZBZ.P".

In accordance with the CPC Policy, the principal business of Buz has been to identify businesses and assets with a view to completing a Qualifying Transaction and, having identified and evaluated such opportunities, to negotiate a proposed Qualifying Transaction subject to acceptance by the Exchange.

See "*The Corporation*".

INOLIFE:

Inolife was incorporated under the CBCA on September 5, 2017 as "10393436 Canada Inc." A Certificate of Amendment was issued on November 16, 2017 following the filing of Articles of Amendment to change its name from 10393436 Canada Inc. to Inolife R&D Inc. The head and registered office of Inolife is located at 1 Yonge Street, Suite 1801, Toronto, Ontario, M5E 1W7.

Inolife is an emerging specialty medical device company focused on developing and commercializing novel drug delivery technologies. Inolife's principal business is the research, development and commercialization of innovative needle-free injection devices and systems for the administration of subcutaneous medication.

It is developing products using needle-free drug delivery technology in several important fields including, but not limited to, anaphylaxis, diabetes, severe migraine, erectile dysfunction, chronic anaemia, neutropenia, autoimmune rheumatoid arthritis, growth and fertility hormone, psoriasis as well as DNA and conventional/pediatric vaccines.

See "*Inolife*".

PROPOSED QUALIFYING TRANSACTION:

The Corporation has identified Inolife as an appropriate target for the Corporation to acquire for the purpose of completing its Qualifying Transaction. The Proposed Qualifying Transaction will be completed pursuant to the Business Combination Agreement, pursuant to which Buz has agreed to acquire all of the Inolife Securities which will be outstanding immediately prior to Completion of the Transaction by way of a three-cornered amalgamation under the provisions of the CBCA whereby Inolife will amalgamate with Newco to form Amalco, a wholly owned subsidiary of Buz. The Completion of the Transaction will be effected pursuant to the terms of the Business Combination Agreement and receipt of the necessary regulatory approvals.

Upon Completion of the Transaction and subject to the approval of the Exchange, the Resulting Issuer will become a Tier 2 Life Sciences Issuer on the Exchange.

The Proposed Qualifying Transaction is intended to serve as the Corporation's Qualifying Transaction under the CPC Policy. The Proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction pursuant to the definition of such term in the CPC Policy and is not a Related Party Transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transaction*. Consequently, the Proposed Qualifying Transaction does not require any approval of Buz Shareholders. See "*The Proposed Qualifying Transaction*".

**BUSINESS
COMBINATION
AGREEMENT:**

On October 1, 2020, Buz and Inolife entered into a Business Combination Agreement, which agreement sets out the terms and conditions pursuant to which Inolife will amalgamate with Newco to form Amalco, and Buz will issue the Buz Consideration Shares to the former Inolife Shareholders, on a one-for-one exchange basis where one (1) Buz Consideration Share will be issued for each one (1) Inolife Share (the "**Exchange Ratio**").

See "*The Proposed Qualifying Transaction – Details of the Transaction*".

ESCROW

Upon completion of the Proposed Qualifying Transaction, a number of RI Shares will be subject to escrow pursuant to the policies of the Exchange.

See "*The Resulting Issuer – Escrowed Securities*".

**BUSINESS OF THE
RESULTING
ISSUER:**

Following Completion of the Transaction, the Resulting Issuer's principal business will be that of Inolife.

See "*Inolife – Overview of Inolife*".

**AVAILABLE
FUNDS AND
PRINCIPAL USES
OF FUNDS:**

The estimated pro forma consolidated working capital (deficiency) of Inolife of approximately (\$1,222,928) and estimated working capital of Buz of approximately \$348,144 as of August 31, 2021 available to the Resulting Issuer upon the Completion of the Transaction is \$5,250,000 which includes a gross amount of \$4,942,000 after giving effect to the Private Placement of \$6,000,000 less the release of gross proceeds in the amount of \$1,058,000 between March 2021 and August 2021 already included in the working capital as at August 31, 2021.

See "*The Resulting Issuer – Available Funds and Principal Uses of Funds*".

These available funds of \$4,942,000 also exclude \$325,000 of current liabilities where the creditors have agreed to receive Inolife Shares in satisfaction of the liabilities.

The following tables set out information respecting the Resulting Issuer's sources of funds and intended uses of such funds upon Completion of the Transaction. The amounts shown in the tables are estimates only and are based upon the information available to Inolife as of the date hereof.

The intended uses of such funds and/or the Resulting Issuer's development capital needs may vary based upon a number of factors. See "*The Resulting Issuer – Risk Factors*".

Sources of Funds

Sources of Funds	Amount (\$)
Estimated working capital (deficiency) of BuzBuz as at August 31, 2021	348,144
Estimated consolidated working capital (deficiency) of Inolife as at August 31, 2021 ⁽¹⁾⁽²⁾	(1,222,928)
SUBTOTAL: estimated working capital (deficiency) of the Resulting Issuer as at August 31, 2021	(874,784)
Net proceeds of the Private Placement (\$4,942,000 less cash commission of \$241,244)	4,700,756

TOTAL:	3,825,972

Note:

- (1) Does not include \$325,000 of current liabilities where the creditors have agreed to receive Inolife shares in satisfaction of the liabilities.
- (2) The difference between the consolidated working capital deficiency of Inolife as at August 31, 2021 and June 30, 2021 is mainly due to two amounts totalizing \$2,258,697 included as short-term liabilities as at June 30, 2021 that were subject to an amendment of the share purchase agreement with Care4Pharma signed on August 24, 2021. This amendment was to modify the amount of these two liabilities as well as postpone the repayment of these liabilities to 28 months after the listing of the Resulting Issuer on the TSX Venture Exchange. See "Inolife – Business of Inolife – Share Purchase Agreement and Acquisition of EPG".

Principal Uses of Funds

The following table sets out the estimated available funds after giving effect to the proposed Transaction and the proposed principal uses for those funds:

Uses of Funds⁽¹⁾	Total
Manufacturing and Inventory	\$725,000
Sales, Business Development and Marketing	\$415,000
Capital expenditures ⁽²⁾	\$219,000
Product Development ⁽³⁾	\$100,000
General and administrative expenses ⁽⁴⁾	\$815,000
Professional Fees ⁽⁵⁾	\$500,000
SUBTOTAL:⁽⁶⁾	\$2,774,000
Repayment of Loans ⁽⁷⁾	\$115,000
Unallocated Funds ^{(8) (9)}	\$936,972
TOTAL:	\$3,825,972

Notes:

- (1) As disclosed in Inolife's financial statements for Q2 2021 and FY2020, Inolife currently generates negative cash flow from operations and expects to continue to do so post a successful listing on the TSXV. In Year 1 the Resulting Issuer will execute its business plan with the goal of achieving positive cash flow from operations over time. Spending detailed in the Uses of Funds table is focused on moving the Resulting Issuer toward generating positive cash flow from operations and may be adjusted in light of financial results and market conditions to facilitate this process.
- (2) Includes \$169,000 to increase capacity in the manufacturing facility.
- (3) \$15,000 is allocated to product development for the Inojex technology, and will be used for building a 1 cavity prototype tool for the molding of the Ampoule Housing part (disposable syringe). See "Inolife - Business of Inolife - Current Business Operations - Research and Development". \$85,000 relates to the InsuJet™ V6 product. The Resulting Issuer plans on developing the InsuJet™ V6 product in the next 18 months, contingent on the execution of the business plan and level of sales during the first year of the business plan.
- (4) The Resulting Issuer's General and Administrative Expenses for the next 12 months include the following approximations: \$390,000 for consulting fees and salaries; \$60,000 for rent, \$10,000 for corporate and shareholder communications; \$100,000 for directors' and officers' insurance; \$255,000 for transfer agent, public company costs and other costs (interest and bank charges, etc).
- (5) Professional Fees will be used for legal and audit fees related to the Proposed Transaction and fees when the company becomes public.
- (6) In the first 6 months of FY2021, Inolife recorded \$2,000,000 in total expenses, of which, \$351,000 was for non-cash items such as amortization and \$916,000 was for one-time, non-recurring costs for

primarily legal and audit fees to complete the Proposed Transaction, and as such recurring expenses for this period were \$735,000 or \$1,470,000 annualized.

- (7) Repayment of the principal amounts, together with interest, of the loan made by Waterloo Innovation Network PM Inc., and the loan made by Michael Wright through his controlled entity N3GU Investments L.P. See "*Inolife - Selected Financial Information and MD&A - Related Party Transactions*".
- (8) Unallocated Funds will be added to the working capital of the Resulting Issuer. The unallocated funds are not required to be spent in order for the Resulting Issuer to achieve its Year 1 Business Plan revenue targets. The Resulting Issuer plans to first spend on sales and marketing to increase sales orders and second to spend on manufacturing to fulfill any new sales orders beyond current capacity. Please see "*The Resulting Issuer – Available Funds and Principal Uses of Funds – Business Objectives and Milestones*".
- (9) In respect of the subsequent annual TTS Royalty payment of \$250,000, if the Resulting Issuer decides not to issue RI Shares, it will make the payment with a portion of the unallocated funds. See "*Inolife – Business of Inolife – Technology Transfer Agreement and Assignment Agreement*".

The above use of available funds should be considered as an estimate only. Assuming the Completion of the Transaction, management of the Resulting Issuer may seek additional capital by way of debt or equity financing in order to finance its future development. There may be circumstances where, for some business reasons, a reallocation of funds may be necessary, in particular if revenues are slower than expected. It is difficult at this time to definitely project the total funds necessary to accomplish the business objectives of the Resulting Issuer. For these reasons, management considers it to be reasonable and in the best interests of the Resulting Issuer to permit management a reasonable degree of flexibility with respect to the uses of funds.

See "*The Resulting Issuer – Available Funds and Principal Uses of Funds*".

DIRECTORS AND OFFICERS:

On completion of the Proposed Qualifying Transaction, the following individuals will be the directors and/or officers of the Resulting Issuer:

Michael Wright – President, CEO and Director

Véronique Laberge – CFO

Nicky Canton – COO

Derek Lindsay – Director

Karen Dunlap – Director

John Leombruno – Director

William Cleman – Director

Michael Wekerle – Director

See "*The Resulting Issuer – Directors and Executive Officers*".

PRIVATE PLACEMENT:

Concurrently with the proposed Transaction, Inolife has completed the Private Placement, pursuant to which 15,000,000 Inolife Sub-Receipts was sold at a price of \$0.40 per Inolife Sub-Receipt. Each Inolife Sub-Receipt is automatically convertible into one Inolife PP Unit without any further action by the holder thereof and for no additional consideration. Each Inolife PP Unit is comprised of one Inolife Share and one-half (1/2) Inolife PP Warrant. Each whole Inolife PP Warrant is exercisable into one (1) Inolife Share at an exercise price of \$0.70 per share for twelve (12) months following satisfaction of the Escrow Release Conditions (as defined hereinafter) on or prior to September 30, 2021, or such other date agreed to by Inolife and the Agent. Inolife completed the Private Placement on December 30, 2020 and issued 15,000,000 Inolife Sub-Receipts for gross proceeds of \$6,000,000, including proceeds of \$2,000,000 from the exercise of the over-allotment option by the Agent. The proceeds of the Private Placement will be used to partially satisfy Inolife's ongoing operations and of its subsidiaries and for general working capital purposes.

See *"The Resulting Issuer - Available Funds and Principal Uses of Funds"*.

Pursuant to the terms of the Private Placement, a commission of 8% of the aggregate gross proceeds of the Private Placement, representing a payment of \$480,000, was paid to the Agent as follows (i) a cash payment of \$395,519 (\$150,726 has already been paid to the Agent from the escrow funds); and (ii) a payment equal to \$84,481 by the issuance of 211,202 Inolife Sub-Receipts. A corporate finance fee of \$50,000 and 1,200,000 Agent's Warrants, equal to 8% of the number of Inolife Sub-Receipts sold under the Private Placement, was paid to the Agent.

See *"The Proposed Qualifying Transaction – Private Placement"*.

**INTERESTS OF
INSIDERS,
PROMOTERS AND
CONTROL
PERSONS:**

Except as otherwise stated herein, none of the Insiders, promoters or Control Persons of the Corporation or any of their respective Associates and Affiliates (before and after giving effect to the Transaction) have any interest in the Transaction, other than that which arises from their holding of Common Shares.

See *"The Resulting Issuer – Interests of Proposed Management and Others in Material Transactions"*.

**ARM'S LENGTH
QUALIFYING
TRANSACTION:**

The Transaction does not constitute a Non-Arm's Length Qualifying Transaction.

See *"The Proposed Qualifying Transaction - Issue of the Buz Consideration Shares"*.

**PRO FORMA
CONSOLIDATED
CAPITALIZATION:**

The following table summarizes the Resulting Issuer's consolidated capitalization as at June 30, 2021, based on the pro forma consolidated statement of financial position contained in this Prospectus, after giving effect to the Completion of the Transaction, the Buz Consolidation, the Inolife Consolidation and the Private Placement.

Description	Amount Authorized or to be Authorized	Outstanding after giving effect to the Transaction & Consolidation ⁽¹⁾⁽²⁾⁽³⁾
Common Shares ⁽¹⁾	Unlimited	86,008,641

Note:

- (1) Calculated on an undiluted basis. 3,500,000 RI Shares will be held in escrow after the Completion of the Transaction. See *"The Resulting Issuer – Escrowed Securities"*.
- (2) This number does not include 1,666,667 RI Shares that may be issued to Care4Pharma pursuant to a price adjustment clause in the Second Amended and Restated Share Purchase Agreement and Settlement Agreement. See *"Inolife – Business of Inolife – Share Purchase Agreements and Acquisition of EPG"*. Any adjustment in the number of RI Shares (either currently issued or to be issued in the future) would be based upon the requirements of the TSXV. If these 1,666,667 RI Shares are issued to Care4Pharma, these will be considered as escrowed securities.
- (3) This number includes interest payable in common shares on convertible debentures issued pursuant to the Bridge Financing but the number of shares is not final as it will be calculated at the exact date of the conversion.

See *"The Resulting Issuer - Pro Forma Consolidated Capitalization of the Resulting Issuer"*.

**UNAUDITED PRO
FORMA
CONSOLIDATED
FINANCIAL
INFORMATION OF
THE RESULTING
ISSUER:**

The table below sets out certain unaudited pro forma consolidated financial data for the Resulting Issuer as at June 30, 2021, assuming the Completion of the Transaction, in respect of the periods for which financial information is provided elsewhere in this Prospectus. The summary unaudited pro forma consolidated financial information below is derived from the Pro Forma Consolidated Financial Statements and should be read in conjunction with the Pro Forma Consolidated Financial Statements, related notes and other financial information appearing elsewhere in this Prospectus.

	As at June 30, 2021 (unaudited)
Current Assets	\$5,066,302
Total Assets	\$12,379,140
Total Liabilities	\$8,361,501
Total Shareholders' Equity	\$4,017,639

See "Appendix "E" – *Unaudited Pro Forma Consolidated Financial Statements of the Resulting Issuer*".

**SELECTED
FINANCIAL
INFORMATION OF
INOLIFE:**

The following table presents selected financial information of Inolife in summary form for the years ended December 31, 2018, December 31, 2019 and December 31, 2020 and for the six months ended June 30, 2021. The following financial information has been derived from and should be read in conjunction with the audited financial statements of Inolife for the years ended December 31, 2018, December 31, 2019 and December 31, 2020 and the six months ended June 30, 2021 and the notes thereto set forth in Appendix "C" to this Prospectus.

	Six months ended June 30, 2021 (unaudited) (\$)	Year Ended December 31, 2020 (audited) (\$)	Year Ended December 31, 2019 (audited) (\$)
Total revenues	81,908	47,295	Nil
Income (loss) from continuing operations	(1,619,768)	(2,769,672)	(1,943,754)
Net income (loss)	(2,224,388)	(3,670,402)	(1,982,755)
Total assets	12,764,567	14,561,572	538,713
Total liabilities	15,242,479	15,253,822	1,247,650
Total Shareholder's Equity	\$(2,477,912) ⁽¹⁾	(692,250) ⁽²⁾	(708,937) ⁽³⁾
Cash dividends declared	Nil	Nil	Nil

Note:

- (1) See the unaudited financial statements of Inolife for the interim period ended June 30, 2021 in "Appendix "C" – Financial Statements and MD&A of Inolife R&D Inc."
- (2) See the audited financial statements of Inolife for the year ended December 31, 2020 in "Appendix "C" – Financial Statements and MD&A of Inolife R&D Inc."
- (3) See the audited financial statements of Inolife for the year ended December 31, 2019 in "Appendix "C" – Financial Statements and MD&A of Inolife R&D Inc."

See "Appendix "C" – *Financial Statements and MD&A of Inolife R&D Inc.*"

**MARKET FOR
SECURITIES:**

The outstanding Buz Shares are listed on the TSXV under the trading symbol "BZBZ.P". Upon Completion of the Transaction, it is expected that the Resulting Issuer will apply and change its trading symbol to "NGMD" following approval of the Name Change from "BuzBuz Capital Corp." to "NuGen Medical Devices Inc."

As of the date of this Prospectus, no public market exists for the Inolife Shares.

**NON-OFFERING
PROSPECTUS**

This Prospectus is a non-offering prospectus prepared and filed in order to complete the Proposed Qualifying Transaction. No securities are being offered and no proceeds will be raised pursuant to this Prospectus.

RISK FACTORS:

An investment in the Resulting Issuer is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider and evaluate all risks and uncertainties involved in an investment in the Resulting Issuer, including risks related to: limited operating history; execution of business plan; research and development costs; additional clinical trials and testing; additional regulatory approvals and agencies; approval procedures in other countries; product liability; additional requirements for capital; lack of operating cash flow; market acceptance of the products; acquisition, development and commercialization of addition product candidates; attraction and retention of qualified personnel; competition; collaborators, partners and manufacturers; intellectual property rights related risks; infringement of intellectual property rights; market risk for securities; smaller companies; conflict of interest; increased costs and demands upon management as a public company; dilution as a result of future issuances of securities; risks related to doing business internationally; risks associated with the development and expansion of business in emerging markets; risks relating to auditor oversight; Investors' ability to exercise statutory rights and remedies under Canadian securities laws; difficulty in enforcement of judgments; adverse effect on our operations and financial results by public health threat; forward-looking information may prove inaccurate and conflicts of interests.

For a complete discussion of the risks associated with the Resulting Issuer and the Completion of the Transaction, see "*The Resulting Issuer – Risk Factors*".

THE CORPORATION

CORPORATE STRUCTURE

Name, Incorporation and Place of Business

Buz was incorporated under the Business Corporations Act (Ontario) on February 26, 2018 under the name of BuzBuz Capital Corp.. The principal and registered office of Buz is located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

BUSINESS OF THE CORPORATION

Overview of the Corporation

Buz is a Capital Pool Company established pursuant to the CPC Policy and, since its incorporation, has not carried on any business or operations other than the identifying and evaluating business opportunities for the purposes of completing a Qualifying Transaction.

Buz completed its IPO of Common Shares at an issue price of \$0.10 per Common Share on May 24, 2019 for gross proceeds of \$250,000. The Common Shares were listed for trading on the Exchange on May 28, 2019, under the symbol "BZBZ.P". On August 7, 2020, the Exchange halted trading in the Common Shares following the announcement of the Proposed Qualifying Transaction.

History

On June 27, 2019, Buz entered into a non-binding letter of intent with iLLUMA-Drive Inc. to negotiate and complete a Qualifying Transaction. On October 1, 2019 Buz announced that the letter of intent dated June 28, 2019 has been terminated in accordance with its own terms.

On August 6, 2020, Buz entered into a non-binding letter of intent with Inolife to negotiate and complete a Qualifying Transaction in the form of a business combination agreement which would constitute, if completed, Buz's Qualifying Transaction.

On October 1, 2020, Buz entered into the Business Combination Agreement whereby Buz has agreed to acquire all securities of Inolife by way of a three-cornered amalgamation, subject to the terms and conditions of the Business Combination Agreement.

The Buz Meeting was held on March 10, 2021, at which the Buz Shareholders were asked to approve, among other things, the Name Change, the Buz Consolidation and the New Stock Option Plan.

Narrative Description of the Business

As stated above under "The Corporation – Business of the Corporation", the Corporation is a Capital Pool Company and, pursuant to the CPC Policy, to date has not carried on any operations. For information on the proposed principal business to be conducted following the Completion of the Qualifying Transaction, see "Inolife – Business of Inolife".

DIVIDENDS OR DISTRIBUTIONS

To date, the Corporation has not declared any dividends or distributions on the Buz Shares although there are no restrictions precluding the Corporation from declaring any such dividends. The Corporation intends to direct its cash towards the development of its business and the identification and evaluation of assets or businesses, and does not expect to declare or pay any dividends or distributions in the foreseeable future.

SELECTED FINANCIAL INFORMATION OF THE CORPORATION AND MD&A

Selected Financial Information

The following table presents selected financial information of the Corporation for the periods indicated. This table should be read in conjunction with the audited financial statements of Buz for the years ended December 31, 2019 and 2020, and the unaudited interim financial statements of Buz for the six months ended June 30, 2021, and the respective notes thereto, which are set forth in Appendix "B" to this Prospectus.

	Six months ended June 30, 2021 (unaudited) (\$)	Year ended December 31, 2020 (audited)	Year ended December 31, 2019 (audited)
Expenses:			
Professional fees	\$5,000	\$20,000	\$65,002
Public company costs	\$39,764	\$45,150	\$24,199
Share-based compensation	Nil	Nil	\$67,140
Amounts deferred in connection with the Transaction	\$40,025	\$40,025	Nil

Management's Discussion and Analysis

Please refer to Appendix "B" for the management's discussion and analysis of the financial condition and results of operations of Buz for the years ended December 31, 2019 and 2020, and for the six months ended June 30, 2021, which should be read in conjunction with the Buz Financial Statements and the notes thereto included elsewhere in this Prospectus.

Certain information included in such management's discussion and analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Notice Concerning Forward Looking Statements*".

DESCRIPTION OF SECURITIES

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares and special shares, and as at the date of this Prospectus, 9,750,000 Buz Shares were issued and outstanding as fully paid and non-assessable and nil special shares are outstanding.

In addition, 900,000 Buz Shares are reserved for issuance pursuant to stock options granted to officers and directors of Buz to acquire 900,000 Buz Shares.

Following the Buz Consolidation, it is anticipated that there will be a total of 4,875,000 Common Shares issued and outstanding in addition to 450,000 Buz Options.

Each holder of Buz Shares shall be entitled to receive notice of and to attend all meetings of Buz Shareholders, except meetings at which only holders of other classes or series of shares are entitled to attend, and at all such meetings shall be entitled to one vote in respect of each common share held by such holder.

The holders of Buz Shares shall be entitled to receive dividends if and when declared by the Board.

In the event of any liquidation, dissolution or winding-up of the Corporation or other distribution of the assets of the Buz among Buz Shareholders for the purpose of winding-up its affairs, the holders of Buz Shares shall be entitled, subject to the rights of holders of shares of any class ranking prior to the Buz Shares, to receive the remaining property or assets of Buz.

All of the Buz Shares issued and outstanding upon Completion of the Transaction will be fully paid and non-assessable.

CONSOLIDATED CAPITALIZATION

For information regarding changes in Buz's consolidated capitalization since December 31, 2020 that will result from the Proposed Qualifying Transaction, see "*The Resulting Issuer – Pro Forma Consolidated Capitalization of the Resulting Issuer*".

PRIOR SALES

Prior Sales

During the 12 months period prior to the date of this Prospectus, Buz has not issued any securities, nor are any securities to be issued by Buz, other than 250,000 Common Shares issued to Canaccord Genuity Corp. on June 28, 2021 in connection with the exercise of broker warrants at a price of \$0.10 per Common Share for gross proceeds of \$25,000.

Trading Price and Volume

The outstanding Common Shares were listed and commence trading on the TSXV under the trading symbol "BZBZ.P" on May 28, 2019.

The trading of the Common Shares was halted on June 28, 2019 following the announcement of the execution of the letter of intent with iLLUMA-Drive Inc. and resumed trading on October 9, 2019 after announcing the letter of intent had been terminated on October 1, 2019.

The trading of the Common Shares was halted on August 7, 2020 following the announcement of the execution of the letter of intent with Inolife. The last trade of the Common Shares prior to the trading halt (which trade occurred on July 10, 2020) was \$0.17 per Common Share. As of the date hereof, trading in the Common Shares has not yet resumed. The following table sets forth the high and low sales prices and trading volumes of board lots of Common Shares as reported by the TSXV from April 1, 2020 to the date of this Prospectus.

Period	High Trading Price	Low Trading Price	Trading Volume
September 1 – September 29, 2021	N/A	N/A	N/A
August 1 – August 31, 2021	N/A	N/A	N/A
July 1 – July 31, 2021	N/A	N/A	N/A
June 1 – June 30, 2021	N/A	N/A	N/A
May 1 – May 31, 2021	N/A	N/A	N/A
April 1 – April 30, 2021	N/A	N/A	N/A
March 1 – March 31, 2021	N/A	N/A	N/A
February 1 – February 28, 2021	N/A	N/A	N/A
January 1 – January 31, 2021	N/A	N/A	N/A
December 1 – December 31, 2020	N/A	N/A	N/A

Period	High Trading Price	Low Trading Price	Trading Volume
November 1 – November 31, 2020	N/A	N/A	N/A
October 1 – October 31, 2020	N/A	N/A	N/A
September 1- September 30, 2020	N/A	N/A	N/A
August 1 – August 31, 2020 ⁽¹⁾	N/A	N/A	N/A

Note:

(1) Trading on the Common Shares has been halted since August 7, 2020.

ESCROWED SECURITIES

The following table sets out, as at the date hereof, the number of securities of the Corporation, which are currently held in escrow.

Name and Municipality of Residence of Shareholder	Number of Buz Shares Held in Escrow prior to completion of the Proposed Qualifying Transaction	Percentage of Buz Shares prior to completion of the Proposed Qualifying Transaction ⁽¹⁾⁽²⁾
Richard Buzbuzian, Toronto, Ontario	1,500,000	15.38%
Anthony DiBenedetto, Toronto, Ontario	1,500,000	15.38%
Jason Monaco, Toronto, Ontario	1,500,000	15.38%
Robert Suttie, Toronto, Ontario	300,000	3.08%
2599584 Ontario Inc., Pasquale DiCapo, Toronto, Ontario	750,000	7.69%
Fortius Research and Trading Corp., Anthony Durkacz, Toronto, Ontario	750,000	7.69%
Danny Gravelle, Laguna Miguel, California	400,000	4.10%
Roberto Montemarano, Toronto, Ontario	300,000	3.08%
TOTAL	7,000,000	71.78%

Notes:

- (1) Pursuant to the new CPC policies the Corporation is in the process of amending to the new 25% release schedule,
(2) Before the completion of the Buz Consolidation. See "Glossary - definition of Buz Consolidation".

Where the securities of the Corporation which are required to be held in escrow are held by a non-individual (a "**holding company**"), each holding company pursuant to the CPC Escrow Agreement, has agreed, or will agree, not to carry out any transactions during the currency of the CPC Escrow Agreement which would result in a change of control of the holding company, without the consent of the Exchange. Any holding company must sign an undertaking to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities could reasonably result in a change of control of the holding company. In addition, the Exchange may require an undertaking from any control person of the holding company not to transfer the shares of that company.

Under the CPC Escrow Agreement, 25% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "**Initial Release**") and an additional 25% will be released on each of the dates which are 6 months, 12 months and 18 months following the Initial Release.

The Exchange's prior consent must be obtained before a transfer within escrow of escrowed Common Shares. Generally, the Exchange will only permit a transfer within escrow to be made to incoming Principals in connection with a proposed Qualifying Transaction.

If a Final Exchange Bulletin is not issued, the escrowed Common Shares will not be released. Under the Escrow Agreement, each Non Arm's Length Party to the Corporation who holds escrowed Common Shares acquired at a price below the offering price under the Private Placement has irrevocably authorized and directed Computershare to immediately: (a) cancel all of those escrowed Common Shares upon the issuance by the Exchange of a bulletin delisting the Common Shares of the Corporation; or (b) if the Corporation lists on NEX board of the Exchange, either (i) cancel all Common Shares purchased by Non-Arm's Length Parties to the Corporation at a discount to the offering price under the Private Placement, in accordance with section 11.2(a) of the CPC Policy, or (ii) subject to majority shareholder approval, cancel that number of Common Shares purchased by Non-Arm's Length Parties to the CPC so that the average cost of the remaining Common Shares purchased by Non-Arm's Length Parties to the Corporation is at least equal to the IPO price.

PRINCIPAL SECURITYHOLDERS

The following table lists those Persons who beneficially own, directly or indirectly or exercise control or direction over more than 10% of the issued and outstanding Buz Shares as at the date of this Prospectus:

Name and Municipality of Residence	Type of Ownership	Number of Buz Shares	Percentage
Richard Buzbuzian Toronto, Ontario	Registered beneficial	1,500,000	15.79%
Anthony DiBenedetto Toronto, Ontario	Registered beneficial	1,500,000	15.79%
Jason Monaco Toronto, Ontario	Registered beneficial	1,500,000	15.79%

DIRECTORS, OFFICERS AND PROMOTERS

The following table sets out, for each of the Corporation's directors and officers, the person's name, municipality of residence, positions with the Corporation, principal occupation and, if a director, the month and year in which the person became a director.

Name, Municipality of Residence and Position to be Held	Director/Officer Since	Principal Occupation for Past Five Years ⁽¹⁾	Number of Common Shares owned or controlled
Richard Buzbuzian ⁽¹⁾ Toronto, Ontario <i>President, CEO & Director</i>	February 23, 2018	N/A	1,500,000
Anthony DiBenedetto ⁽¹⁾ Toronto, Ontario <i>Secretary & Director</i>	February 23, 2018	N/A	1,500,000
Jason Monaco ⁽¹⁾ Toronto, Ontario <i>Treasurer & Director</i>	February 23, 2018	President and CEO of First Canadian Capital Corp.	1,500,000
Robert Suttie ⁽¹⁾ Toronto, Ontario <i>CFO & Director</i>	February 23, 2018	CFO of Drone Delivery Canada Corp.	300,000

Notes:

(1) Member of the Audit Committee of the Corporation.

The total aggregate number of Common Shares beneficially owned, directly or indirectly, by all directors and officers of the Corporation is 4,800,000, which is equal to 49.23% of the issued and outstanding Common Shares.

Set forth below is a description of the background of the directors and officers of the Corporation, including a description of each individual's principal occupation(s) within the past five years. For further information, see "Other Reporting Issuer Experience".

Richard Buzbuzian, President, CEO and Director, Age: 50

Richard is a capital markets executive with over twenty years of experience in technology and resource sectors, and has experience in corporate finance, M&A transactions and initial public offerings. Richard was former President and CEO of Oriana Resources Corp. OUP.H: TSX.V now Hut 8 Mining. Richard has a degree from the University of Toronto.

Anthony DiBenedetto, Secretary and Director, Age: 50

Anthony was the founder of, and, subsequently sold Data Centers Cnd in May 2013 -to TeraGo Networks (TSX:TGO) and former CEO of Drone Delivery Canada (TSXV: FTL). Anthony has several years of IT entrepreneurship, M&A and capital markets experience as well as a Degree from York University.

Jason Monaco, Treasurer and Director, Age: 48

Jason is the CEO and founder of the First Canadian Group of Companies, currently celebrating its 24th year of success in the Canadian capital markets. Jason specializes in providing full-service financial solutions in the disciplines of investment banking, investor relations, investment management, asset-backed lending, and real estate development. Presently, Jason is on the board of directors of Zonte Metals Inc. ZON: TSX.V and CT Developers Ltd DEV.H:TSX.V.

Robert Suttie, CFO and Director, Age: 52

Robert possesses more than sixteen years of experience in public company accounting. Robert specializes in management advisory services, accounting and the financial disclosure needs for various groups of public companies. He is regularly involved in initial public offerings, business combinations and asset carve-outs and spin-out transactions. In addition to managing the group's financial-statement team, Robert also serves as CFO to a number of junior mining companies listed on the TSX and TSX Venture exchanges, leveraging his skills and experience to become integral to the reporting issuers.

Other Reporting Issuer Experience

The following table sets out the directors and officers of the Corporation that are, or have been within the last five years, directors and officers of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name	Name of Reporting Issuer	Exchange	Position	From	To
Richard Buzbuzian	CT Developers Ltd. Hut 8 Mining Corp.	NEX TSXV	Director Director/Officer	2011-09-08 2012-09-12	May 7, 2021 2018-03-02
Anthony DiBenedetto	Drone Delivery Canada Corp.	TSXV	Director/Officer	2016-05-31	Present
Jason Monaco	Zonte Metals Inc. CT Developers Ltd. Hut 8 Mining Corp.	TSXV NEX TSXV	Director Director Director	2010-04-30 2011-09-08 2012-09-12	Present Present 2018-03-02
Robert Suttie	Current				
	Outdoor Partner Media	TSX-V	President and CFO	April 2014	Present
	Cascada Silver.	CSE	Director	Mar 2021	Present

Name	Name of Reporting Issuer	Exchange	Position	From	To
	Atex Resources Inc.	TSX-V	Director	Dec 2018	Present
	BE Resources Inc.	TSX-V	Director	Sept 2019	Present
	Scozinc Mining Inc.	TSX-V	CFO	Sept 2013	Present
	North Peak Resources Ltd. (formerly BTL Group Ltd.)	TSX-V	CFO and Director	Mar 2016	Present
	Galway Gold Inc.	TSX-V	CFO	Dec 2012	Present
	Galway Metals Inc.	TSX-V	CFO	Dec 2012	Present
	Noble Mineral Exploration	TSX-V	CFO	April 2016	Present
	Canoe Mining Ventures Corp.	TSX-V	CFO	June 2016	Present
	Chilean Metals	TSX-V	CFO	Mar 2019	Present
	BuzBuz Capital Corp	TSX-V	CFO and director	May 2019	Present
	Danavation Technologies Corp (Formerly Wolf's Den Capital)	CSE	CFO	Sept 2019	Present
	American Aires	CSE	CFO	Oct 2018	Present
	Northstar Gold	CSE	CFO	Jan 2020	Present
	Previous				
	Millennial Esports Corp.	TSX-V	CFO	Oct 2016	May 20
	Great Lakes Graphite Inc.	TSX-V	CFO	July 2015	Aug 19
	Castle Resources (no longer a reporting issuer - private company)	TSX-V	CFO	July 2016	Present
	Atacama Pacific Resources	TSX-V	Director and Audit Committee Chair	Sept 2016	July 2018
	Metallum Resources Inc	TSX-V	CEO	Aug 2013	May 2016
	Metallum Resources Inc	TSX-V	CFO	Feb 2007	July 2016
	Thundermin Resources	TSX-V	CFO	July 2009	Jan 2016
	Sandspring Resources Ltd.	TSX-V	CFO	Nov 2014	Oct 2015
	Strike Minerals Inc.	TSX-V	CFO	Mar 2011	Oct 2013
	Noront Resources	TSX-V	CFO	Jan 2007	June 2008
	Zonetail Inc	TSX-V	CFO	Mar 2019	Aug 2019
	Rupert Resources Ltd.	TSX-V	CFO	July 2012	Nov 2017

Name	Name of Reporting Issuer	Exchange	Position	From	To
	Rupert Resources Ltd.	TSX-V	Director and Audit Committee Chair	Nov 2017	June 2020
	Drone Delivery Canada Corp.	TSX-V	CFO	Oct 2015	Sept. 2020
	Canada Nickel Company	TSX-V	CFO	Dec 2019	Nov. 2020
	Gossan Resources Limited	TSX-V	CFO	Mar 2014	March 2021

Corporate Cease Trade Orders or Bankruptcies

Mr. Suttie served, from March 10, 2011 to October 17, 2013, as the CFO of Strike Minerals Inc. ("**Strike**"), a reporting issuer in the Provinces of British Columbia, Alberta and Ontario. Strike was subject to a management cease trade order issued by the OSC on September 19, 2013 for failure to file its annual financial statements and accompanying management's discussion and analysis for the financial year ended April 30, 2013 within the prescribed time period under applicable securities laws. A full cease trade order was subsequently issued by the applicable securities regulators on February 12, 2014 restricting all trading in the securities of Strike until Strike becomes current with its filings. The cease trade order issued against Strike remains in effect as of the date of this Prospectus.

Mr. Suttie served as the CFO of Engine Media Holdings Inc. ("**Engine**"), a reporting issuer in the provinces of Alberta and Ontario. Engine was subject to a cease trade order issued by the OSC on January 7, 2019 for failure to file its annual financial statements and accompanying management's discussion and analysis for the financial year ended August 31, 2018, within the prescribed time period under applicable securities laws. A delay in closing a financing delayed the commencement of Engine's annual audit. On April 8, 2019, Engine filed its audited annual consolidated financial statements, and the cease trade order was revoked. On January 7, 2020 Engine was subject to a cease trade order issued by the OSC for failure to file its annual financial statements and accompanying management's discussion and analysis for the financial year ended August 31, 2019, within the prescribed time period under applicable securities laws. A delay in financing delayed the commencement of certain independent valuations required of Engine's annual audit. On April 8, 2019, Engine filed its audited annual consolidated financial statements, and the cease trade order was revoked. On February 17, 2020, Engine filed its audited annual consolidated financial statements, and the cease trade order was revoked. Effective May 11, 2020 Mr. Suttie resigned from Torque and is no longer associated with this issuer.

Mr. Suttie serves as the CFO of Wolf's Den Capital Corp. ("**Wolf's Den**"), a reporting issuer in the provinces of Alberta, British Columbia and Ontario. Mr. Suttie was brought on in late 2019 to assist with the restructuring of Wolf's Den. Wolf's Den was subject to a cease trade order issued by the OSC on December 5, 2019 for failure to file its condensed interim financial statements and accompanying management's discussion and analysis for the period ended September 30, 2019, within the prescribed time period under applicable securities laws. Finalizing restructuring initiatives delayed the filing. On January 6, 2020, Wolf's Den filed its condensed interim financial statements, and the cease trade order was revoked. Other than as detailed above, no director, officer, insider or promoter of the issuer or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, as at the date of this prospectus, or was within 10 years before the date of this prospectus, a director, officer, insider or promoter of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or

- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No director, officer, insider or promoter of the Corporation, or a shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, officer, insider or promoter of the Corporation, or a shareholder holding sufficient securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such persons has, within the 10 years before the date of the Prospectus, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Indebtedness of Directors and Officers

None of the directors or officers of the Corporation or any of their respective Associates or Affiliates has been indebted to the Corporation since the date of the Corporation's incorporation.

Conflicts of Interest

There may be potential conflicts of interest to which the directors, officers and Insiders of the Corporation may be subject in connection with the operations of the Corporation. The directors, officers and Insiders may be engaged in corporations or businesses which may be in competition with the search by the Corporation for businesses or assets in order to close a Qualifying Transaction. Accordingly, situations may arise where a director, officer or Insider will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies as provided under the Canada Business Corporations Act.

EXECUTIVE COMPENSATION

Stock Option Plan

On May 24, 2019, Buz adopted the Stock Option Plan for its directors and officers in accordance with the Exchange's policies. The policies of the Exchange provide that the Board of directors of the Corporation may from time to time, in its discretion and in accordance with the Exchange requirements, grant to directors, officers employees and technical consultants of the Corporation, non-transferable options to purchase Common Shares, exercisable for a period of up to five years from the date of the grant provided that the number of Common Shares reserved for issuance does not exceed 10% of the total issued and outstanding Common Shares of the Corporation. Moreover, the number of Common Shares reserved for issuance to any individual director, officer or employee of the Corporation will not exceed 5% of the issued and outstanding Common Shares in a twelve (12) month period and the number of Common Shares reserved for issuance to any technical consultant or advisor, if any, will not exceed 2% of the issued and outstanding Common Shares in any twelve (12) month period.

The Board of directors determines the Common Share price and the number of shares allocated to each director, officer, employee and technical consultant and any other terms of the option in accordance with the Exchange's policies. Options may be exercised the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Common Shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. See "The Resulting Issuer – Escrowed Securities".

Buz has granted the following options pursuant to the Stock Option Plan prior to the date of this Prospectus:

Name	Number of Shares Under Option (pre-Consolidation)	Exercise Price per Common Share (pre-Consolidation)⁽¹⁾	Expiry Date⁽²⁾
Richard Buzbuzian	225,000	\$0.10	May 24, 2024
Tony DiBenedetto	225,000	\$0.10	May 24, 2024
Jason Monaco	225,000	\$0.10	May 24, 2024
Robert Suttie	225,000	\$0.10	May 24, 2024
Total:	900,000		

Notes:

- (1) The exercise price was determined based on, and is the same as, the price of the Common Shares issued pursuant to the IPO.
- (2) Notwithstanding the expiry date indicated, if the optionee does not continue to be a director, officer, employee or consultant of the Resulting Issuer, these options must be exercised within the greater of twelve (12) months after completion of a Qualifying Transaction and ninety (90) days after the optionee ceases to be a director, officer, employee or consultant of the Resulting Issuer, at which time they will expire, provided that if the cessation of position was by reason of death, the options may be exercised within a maximum period of twelve (12) months after such death, subject to the expiry date of the options.

At the Buz Meeting, Buz Shareholders will be asked to approve the adoption of the New Stock Option Plan, which will be implemented upon Completion of the Transaction. See "*The Resulting Issuer – Options to Purchase Securities – Stock Option Plan*".

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or officers of the Corporation or any of their respective Associates or Affiliates has been indebted to the Corporation since the date of the Corporation's incorporation.

RISK FACTORS

An investment in the Corporation or the Resulting Issuer following completion of the Proposed Qualifying Transaction involves a high degree of risk. There are risks inherent with completion of the Proposed Qualifying Transaction and with respect to the business of the Resulting Issuer. You should carefully consider the information in this Prospectus and the information set out under "*The Resulting Issuer – Risk Factors*".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no actual or, to the knowledge of Buz, contemplated legal proceedings to which Buz is a party or of which any of its property is the subject matter.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed below or otherwise disclosed in the section "*The Corporation – Management's Discussion and Analysis*", the directors, officers, promoters and shareholders of Inolife and any Associates and Affiliates thereof have

not had any direct or indirect material interest in any transaction or proposed transaction since the date of incorporation of Inolife to the date of this Prospectus.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of Buz is D&H Group LLP, Chartered Professional Accountants, located at 1333 West Broadway, 10th Floor, Vancouver (British Columbia) V6H 4C1.

The Transfer Agent and Registrar for the Common Shares is Computershare Trust Company of Canada located at 100 University Avenue, Toronto, Ontario M5J 2Y1.

MATERIAL CONTRACTS

Buz has not entered into any contracts currently outstanding which are material to investors in the Common Shares since incorporation, other than:

- the Business Combination Agreement dated October 1, 2020, among Buz and Inolife in connection with the Transaction (see "*The Proposed Qualifying Transaction*"); and
- the CPC Escrow Agreement dated September 17, 2021, among the Corporation, Computershare Trust Company of Canada, as escrow agent, and certain Buz Shareholders.

Copies of all material contracts referred to in this Prospectus may be found on the Corporation's SEDAR profile at www.sedar.com.

INOLIFE CORPORATE STRUCTURE

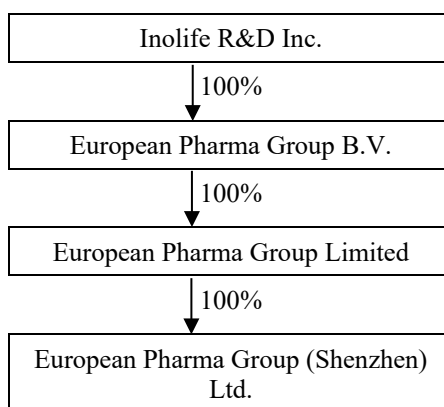
Name, Incorporation and Place of Business

Inolife was incorporated under the CBCA on September 5, 2017 as "10393436 Canada Inc." A Certificate of Amendment was issued on November 16, 2017 following the filing of Articles of Amendment to change its name from 10393436 Canada Inc. to Inolife R&D Inc.

The head and registered office of Inolife is located at 1 Yonge Street, Suite 1801, Toronto, Ontario, M5E 1W7.

Intercorporate Relationships

The diagram below provides an overview of the intercorporate relationships among Inolife and Inolife's Subsidiaries:



EPG was incorporated as a private company with limited liability on April 16, 2010 under the laws of Netherlands as European Pharma Group B.V. having its head and registered office located at Beechavenue 127, 1119 RB Schilphol-Rijk, Netherlands.

EPG Hong Kong was incorporated as a private company limited by shares on May 27, 2010 under the laws of the Hong Kong SAR as European Pharma Group Limited having its head and registered office located at No. 7 Lau Li Street, Parkview Centre, Level 21, Causeway Bay, Hong Kong SAR.

EPG Shenzhen was incorporated as a private company on September 27, 2010 under the laws of the People's Republic of China as European Pharma Group (Shenzhen) Ltd. having its head and registered office located at Room 508, 509, west of building 25, Keyuan west industrial zone No.5, Kezi west road, P.R. China.

On June 5, 2020, Inolife completed the acquisition of EPG, EPG's direct subsidiary, EPG Hong Kong, and EPG's indirect subsidiary, EPG Shenzhen.

It is anticipated that, following Completion of the Transaction, Inolife will continue its efforts to fully integrate these entities and transition to a new global branding as "NuGen Medical Devices" located in Toronto, Ontario.

Name of the Subsidiary	Status	Assets Held	Business Operations	Other Information	Directors ⁽¹⁾
EPG	Active	Inventory (samples), intangible assets (tradename and	Engineering and design, regulatory compliance.	EPG has only a small office in the Netherlands	Michael Wright, sole director and officer.

Name of the Subsidiary	Status	Assets Held	Business Operations	Other Information	Directors ⁽¹⁾
		technology), office furniture and computers, and 100% of EPG Hong Kong shares.		with 3 employees.	
EPG Hong Kong	Only a flow-through company which Inolife inherited from the acquisition of EPG in June 2020.	No other assets, other than 100% of EPG Shenzhen shares.	No operations.	No operations.	Michael Wright, sole director and officer.
EPG Shenzhen	Active	Equipment (testing, validating, assembling, and packaging) and office furniture. There are certain patents held by EPG Shenzhen in China for proprietary protection purposes.	Manufacturing of the needleless injector InsuJet™. Research and development, prototyping, testing, validating, assembling, packaging and quality control of the injector system.	All of its operating costs are re-invoiced and reimbursed by EPG. EPG Shenzhen has a facility in Shenzhen (equipment and offices) with 11 employees.	The current legal representative is Nicky Canton.

Note:

- (1) There is no officer of a subsidiary, who is not an officer or director of the Issuer, who falls within the definition of "executive officer", as such term is defined in NI 41-101.

BUSINESS OF INOLIFE

Overview of Inolife

Inolife is an emerging specialty medical device company whose principal business is research, development and commercialization of innovative needle-free injection devices and systems for the administration of subcutaneous medication.

Inolife is developing products using its novel needle-free delivery technology for use in several important fields including, but not limited to, anaphylaxis, diabetes, severe migraine, erectile dysfunction, chronic anaemia, neutropenia, autoimmune rheumatoid arthritis, growth and fertility hormone, psoriasis as well as DNA and conventional/pediatric vaccines.

Inolife is presently focusing its development efforts relating to needle-free devices on the liquid jet delivery through the spring-powered platform, InsuJet™. Inolife is currently manufacturing and has begun "soft-selling" the InsuJet™ system with an immediate focus on servicing the diabetic community. Another liquid jet needle-free technology system (Inojex), is on the pre-commercialization development stage. A ballistics-based intradermal powder drug injection system, Nanojex, is at the proof of concept stage. There is no manufacturing plan for the Inojex or Nanojex devices at this time. Presently, InsuJet™ V5 is the only device available for sale.

Inolife and its subsidiaries, suppliers, manufacturers or other service providers have obtained all relevant licenses, regulatory approvals, permits or other authorizations from relevant governmental authorities in order to carry on the business as currently conducted and that such licenses, permits and regulatory approvals that have been obtained are in good standing. The licenses include the CE certification obtained from GMED, granted on April 21, 2021, which is valid until May 26, 2024. All the suppliers maintain relevant certifications required to conduct their business, and primary suppliers are covered by the annual audit scope of GMED.

Historical Business Operations

EPG's Historical Business Operations

Prior to its acquisition by Inolife, EPG was primarily a research and development group focused on development of the InsuJet™ needle-free technology and supporting clinical evidence, regulatory approvals, and design manufacturing capabilities. EPG was not focused on generating sales nor did they have any resources dedicated to business development. Additionally, Mosadex/Care4Pharma, the former owner of EPG, had a mandate to service the market of the Netherlands while the InsuJet product had global potential to serve the growing global diabetes market. In early 2019, EPG completed the work necessary to successfully manufacture the InsuJet products at higher volumes and this was an important reason Inolife decided to acquire EPG. Since the acquisition, Inolife has focused its limited financial resources and management time on its going-public transaction and as such less on sales.

Inolife's Historical Business Operations

Prior to the acquisition of EPG, Inolife's operations consisted of: developing the strategy to access the markets; identifying target acquisitions (assets or companies); raising capital; creating the marketing materials and branding; building the team; developing the sales channels; developing research partnerships; building the design manufacturing file; establishing manufacturing relationships; and producing prototypes (used in studies with McGill University and CHEO-RI).

Current Business Operations

These are the operations that are expected to be conducted in the next 12 months.

Products and Services

Inolife's principal business is the sale and commercialization of its needle-free injection systems and technologies, as well as the research, development and manufacturing of needle-free injection devices for the administration of subcutaneous (under the skin) medication including the needle-free injectors and accessories necessary to operate them such as nozzles, adaptors, replacement parts and packaging.

Inolife's main product is the liquid jet InsuJet™ injector system, which currently is the only Inolife system available for commercialization.

InsuJet™ injector system offers novel technique of liquid jet needle-free drug injection that improves patients' quality of life by making medicine easier to administer and remove the anxiety and inconvenience associated with hypodermic needle injections.

The InsuJet™ device is a needle-free spring-powered subcutaneous liquid jet, developed as a "self-injectable" treatment for chronic diseases such as diabetes, for people who take medicine injections or administer injections to others. A special needle-free nozzle is the key feature of the InsuJet™ system. The operating principle of jet-stream injection technology is to press liquid through a small orifice of this special needle-free nozzle. The spring integrated into the injector produces the required energy to deliver a fine stream of medication through a microscopic hole in the subcutaneous tissue without using a needle, making it virtually pain-free. The system dispenses the medication uniformly in a spray like pattern, in less than 1/10 of a second. Due to the small radius of the jet stream, the fluid is deposited just under the epidermis in the subcutaneous layer, where most vascularization resides. In the subcutaneous tissue, the liquid follows the path of least resistance, resulting in a larger spread compared with a (bulk) droplet needle

administration. Both the favourable position (just under the skin, as well as the larger area over which the liquid drug is spread) makes the InsuJet™ jet-stream injection technology particularly suitable for the administration of drugs that requires a relatively fast onset.

The InsuJet™ liquid injector device is easy to use, and it eliminates needlestick injuries and does not lead to tissue damage on long-term use. InsuJet™ injectors are reusable, which utilize disposable ampoules and other accessories, and come with a full lifetime replacement warranty. The devices' single-use ampoules can be disposed as domestic waste and are completely recyclable.

InsuJet™ V5

InsuJet™ is a re-usable needle-free device used by diabetics for insulin therapy. Diabetics who require insulin supplementation, usually require multiple insulin injections a day. The InsuJet™ injector can be used for up to 5000 injections, and most people can use the device between 3 to 4 years. The InsuJet™ injector uses sterile consumables: nozzles which can be used for 14 days, and adaptors (filling device) which are installed upon the insulin container. The number of adaptors sold per year per injector depends on the type of insulin cartridges/vials used. As per Inolife's razor/ razor blade model, the consumables are required for the usage of the device since they need to be replaced at regular intervals.

InsuJet™ jet administration system		
InsuJet™ injector (v5)	Sterile consumables	
	Nozzle	Adaptor
		

InsuJet™ V5 is approved for sale in over 40 countries, see "*Inolife - Business of Inolife - Current Business Operations – Regulatory Framework and Applicable Laws*".

The sales to date have been minimal. The table below provides EPG sales of InsuJet™ V5 by percentage in 2020 and Q1&Q2 2021:

Country	2020		Q1&Q2 2021	
	\$	%	\$	%
The Netherlands	11,595	9%	9,952	12%
United Kingdom	45,214	34%	10,263	12%
Jordan	53,074	40%	-	0%
Hong Kong	12,764	10%	5,344	9%
Other	10,373	7%	56,349	67%

Currently, the insurance coverage for InsuJet™ V5 device is provided by National Health Service in the United Kingdom country-wide and by private insurance in the Netherlands.

Other Devices

The following activities have been performed to date with respect to the future InsuJet™ devices:

- **InsuJet™ V6**
 - Design engineering of housing parts
 - Mechanical engineering (modified release switch for improved ergonomics)
 - Technical drawings
- **InsuJet™ V7**
 - Design engineering of housing parts
 - Mechanical engineering
 - Hardware design (PCB, magnetic linear measurement, BLE chip, wireless charging coil, battery power management, display, switches)
 - Basic device software to run the main functions, including dose measurement, battery management, data exchange via BLE
 - Proof of principle app developed to demonstrate the exchange of device data to app by Bluetooth
 - Prototype development and testing
 - Prototype mold tools for critical parts (for dosing)
 - Complete Bill of Materials
 - Technical drawings
- **InsuJet™ V8**
 - Design engineering of nozzle & adaptor integrated solution
 - Prototype development and testing
 - Mechanical design concept for injector
 - Industrial design engineering concept for injector

For a description of Inolife's other systems, Inojex and Nanojex, see "*Inolife – Business of Inolife – Anticipated Business Operations*".

Operations, Quality Control and Supply Chain

Inolife's strategic planning, capital raising, research and development, sales strategy, partnerships, business development and administration operations are directed from its Canadian head office in Toronto, Ontario. To maximize flexibility and ensure best-in-class talent, Inolife hires consultants for projects such as regulatory approvals, clinical studies, etc., on an "as needed" basis.

Inolife's operations in the Netherlands are based in Amsterdam and operate under the name European Pharma Group B.V. EPG staff are under the direct supervision of the COO and CFO of Inolife. Netherlands accounting, taxes and bank monthly reconciliation are performed by local bookkeeper, an EPG employee supervised by the CFO of Inolife. The CFO also has access to the accounting software. Financial reports and accounting documentation are placed on a shared network on a weekly basis.

China Operations

Inolife has in place a series of measures enabling Inolife to exercise extensive control over its operations in China (the "**China Operations**") and ensure the high quality controls required as per the ISO 13485 standards.

Inolife's China Operations are based in Shenzhen and operate under the name of EPG Shenzhen. EPG Shenzhen is wholly owned by EPG, which is wholly owned by Inolife, and conducts the following activities: design, development, manufacturing, assembly, quality assurance, and testing. EPG Shenzhen's operations are under the direct leadership of Inolife's COO, Nicky Canton. The COO moved to China in 2010 to set up a company for the supply and R&D of needle-free injectors. Although currently under contract with EPG, Nicky Canton stays multiple months in China each year to oversee the Chinese operations. EPG Shenzhen is currently located in the center of Shenzhen's large and renowned high tech park, and has in-house manufacturing capabilities for InsuJet™ injector. The manufacturing of the sterile accessories is subcontracted to international contract manufacturers of medical disposables.

EPG Shenzhen has one supervisor appointed by the shareholder, i.e. EPG Hong Kong, in accordance with the Company Law of the People's Republic of China and the Articles of Association. [*Article 37, Company Law of PRC; Clause 24 & 25, Articles of Association of EPG Shenzhen*]

The supervisor may exercise the following role, powers and responsibilities:

1. propose, convene and preside over a shareholder's meeting;
2. put forward proposals at shareholder's meetings;
3. inspect the financial affairs of the company;
4. supervise the performance of the directors and officers of the company and propose the removal of any director or officer who violates any law, administrative regulation, the articles of association or any shareholder's resolutions;
5. require any director or officer to take corrective action where his/her actions damage the interests of the company;
6. initiate lawsuits against a director or officer in accordance with Chinese company laws and any other function or power specified in the articles of association;
7. cannot concurrently serve as director or officer of the company.

[*Article 40 & 51 & 53, Company Law of PRC*]

The table below provides a summary of the key personnel at EPG Shenzhen and their status:

Function	On Record	Comments
Legal Representative	Nicky Canton	Both the Legal Representative and Executive Director can be of any nationality and do not need to reside in China.
Executive Director	Nicky Canton	

Function	On Record	Comments
General Manager	Nicky Canton (as of July 22, 2021)	
Supervisor	Derek Lindsay (as of August 17, 2021)	

See "*Inolife – Business of Inolife – Emerging Markets Disclosure*" for more information.

Governance

Inolife Board member Derek Lindsay has a vast experience with listed companies both as a public company CFO (of a global medical device company (Cryocath) with operations in Canada, Netherlands, and the US) and as a member of boards of directors. He also has considerable experience in emerging markets such as China, where he was a board member of a regional Chinese cellular company (Yantai Cellular), CFO of Comcel Claro Cellular, Colombia's largest cellular provider, and in other regions such as India, Philippines, Colombia, Brazil, and Venezuela, where he had oversight responsibilities for the businesses in these countries as CFO of the parent companies.

The COO has lived in China for 11 years. Currently based in Amsterdam, he has been in China since October 2020 and has a working understanding of Mandarin. Additionally, three of the team leaders in China are bilingual (English and Mandarin).

Karen Dunlap, one of the directors of Inolife who will also be a director of the Resulting Issuer, has extensive global experience in the medical device injectable industry. Mrs. Dunlap is the former president, chief operating officer and director of Sol-Millennium Medical, Inc. As such, she has extensive expertise in dealing in China and other emerging markets.

Quality Control

The Inolife controls on the China Operations are not just limited to the internal controls and the direct oversight of the COO. The China Operations adhere to ISO 13485:2016, the global standard for medical device manufacturing companies. ISO 13485:2016 is designed to be used by organizations involved in the design, production, installation and servicing of medical devices and related services. The operating procedures of the China Operations are not only established and based on the requirements of ISO 13485:2016, but also the EU directive 93-42-EEC_MDD/European MDR 2017_745.

The China Operations are audited annually by the designated Notified Body, GMED, to ensure compliance with the ISO 13485:2016 standard and for the maintenance of EPG's products' CE Mark. GMED is one of the few global Notified Bodies that has been accredited by national competent authorities to perform conformity assessment procedures to the European Regulation (EU) 2017/745 on medical devices and 93/42/EEC as amended by Directive 2007/47/EC- Medical Devices (MD). These are the applicable directives and regulations for CE Mark for medical devices on the EU market. (<https://lne-gmed.com/accreditations>)

Audits are conducted onsite by European staff from GMED over multiple days. The most recent audit was performed from July 30, 2020 to August 03, 2020. The 2020 GMED certification of EPG and EPG Shenzhen was satisfactory and demonstrated a high level of compliance to regulations and internal controls.

Manufacturing

In terms of finished products, there are three principal categories of components:

- **Injectors**

EPG Shenzhen acquires all parts from third party manufacturers, then assembles, tests and packages them. EPG Shenzhen defines the design spec, does the supplier evaluation, does the part verification, and does

IPQC, FQC, packaging and final release. Additionally, the assembly of the injectors is performed in-house as well, and it does not involve critical processes.

- **Nozzles (syringes)**

Manufactured, assembled and packaged by third-party contract manufacturers with multiple global locations.

- **Vial Adaptors**

Manufactured, assembled and packaged by third party contract manufacturers with multiple global locations.

The end products, sold separately, are the injector, the nozzle and the adaptor, which will be used together by the end user. The table below lists the current maximum manufacturing capacity.

Current Maximum Capacity per Month ⁽¹⁾	
Injector ⁽²⁾	2,000
Nozzle (syringe) ⁽³⁾	200,000
Adaptor ⁽³⁾	125,000

Notes:

- (1) Current maximum capacity per month, which is sufficient for Inolife's business plan in the next 12 months. In the future, the capacity will increase with the increase of sales. By the end of Year 2, the capacity will increase from 2,000 injectors to 20,000 injectors per month, nozzles and adaptors 250,000 per month. Cost of the increase in capacity will be approximately CAD\$169,000, which consists of acquisition, installation and validation of assembly, testing and packaging equipment. As the new equipment improves optimization, the company does not require any additional space or staff. See *"The Resulting Issuer – Risk Factors - Uncertainty in Increasing Production Capacity"*.
- (2) This product is reusable.
- (3) These products are disposable.

Current volume being manufactured:

Product	2021-Q1	2021-Q2	Total of Q1 and Q2
Injector	31	237	268
Nozzle (syringe)	0	0	0
Adaptor	0	0	0

Inolife outsources certain key manufacturing processes to industry experts:

- Sterilization suppliers;
- Suppliers of components which come into direct or indirect contact with drug or breached skin; and
- Consumable assembly suppliers.

The manufacturing activities with respect to the InsuJet™ product line are primarily performed in Amsterdam and Shenzhen with Canadian strategic direction and oversight. There is no manufacturing plan for the Inojex or Nanojex devices at this time.

As part of the China Operations, EPG Shenzhen collaborates with various global companies, including:

- the contract manufacturer that moulds nozzle parts and assembles them along with the sterile packaging of the nozzles is the Chinese subsidiary of a global company headquartered in Germany with production sites and locations in 15 countries spread across three continents. It has been a primary supplier to EPG Shenzhen since 2011; and
- the contract manufacturer that moulds adaptor parts is the Chinese subsidiary of a global contract manufacturing organization/contract development manufacturing organization with its medical division headquartered in the USA with 11 manufacturing operations and more than 1,500 associates worldwide. It operates ISO 13485:2016 certified quality systems and FDA registered sites are located throughout the Americas, Europe, and Asia. It has been a primary supplier for EPG Shenzhen since 2011.

Inolife has intentionally partnered with these global companies to ensure the high quality of its products and to support Inolife in the growth of its manufacturing operations.

All current primary suppliers have been providing products and services to Inolife for 5-10 years. The medical device industry typically relies on long term cooperation. However, in the event of termination of a primary supplier, the supplier can be replaced as EPG/Inolife has the ownership of all the production assets & manufacturing procedures/information. Estimated time for replacement is 3-6 months. In the event of a possible termination, it is common business practice to announce the termination in advance, so that the manufacturer can adjust its production planning accordingly and build up sufficient stock to bridge the transfer period.

In the (unlikely) case of termination without prior announcement combined with low inventory levels, this will result in limited access to inventory for 3-6 months.

It is important to note that EPG/Inolife works with global contract manufacturers (CMO's) which have manufacturing sites globally. These sites typically use the same machines and procedures, and in case of an unexpected shutdown at the China plant, assets could be transferred to an alternative plant to minimize the disruptions in supply. Additionally, EPG/Inolife has a very complete manufacturing file, and maintains relations with back-up suppliers in case unforeseen events warrant a transfer in supplier.

Below is the listing of (1) the primary suppliers who are used for the manufacturing of the InsuJet™ V5 device and sterile accessories; and (2) the contracts Inolife has in place with such suppliers.

Supplier	Item supplied	Certification held - expiration dates	Signed agreement in place
Various suppliers located in China	Components for injectors	ISO 9001	For some suppliers yes, otherwise – purchase orders are used.
Secondary suppliers in Europe		ISO 14001	
A global contract manufacturing company headquartered in Germany	Medical grade injection molding for disposable nozzles (syringes)	ISO13485:2016 exp. 2024/6/3	Yes
A global contract manufacturing organization with its medical division headquartered in the USA	Medical grade injection molding for disposable vial adaptor parts	ISO13485:2016 exp. 2023/8/30	Yes
A global sterilization company	Sterilization for consumables	ISO13485:2016 exp. 2024/3/31	Yes

Note:

(1) For each of the disposables, Inolife maintains a list of backup suppliers located outside of China.

Supply Chain

These contract manufacturers work with global procedures and infrastructure, allowing unobstructed movement of plastic injection tools from one site to another. For other critical components such as injector metal parts, Inolife has already approved possible secondary suppliers in the Netherlands and is ready to order, pending Completion of the Transaction.

The sterilization process is performed by a major health services company based in the United States, which has multiple global locations.

In terms of warehousing, Inolife has its own facility in the Netherlands, which can supply orders in the Netherlands, the United Kingdom and, in the future, other European countries. For Asia and Oceania, Inolife keeps inventory in its warehouse in China. In the future, Inolife may establish relationships with distribution partners.

In terms of shipping, for shipping to distributors and end-customers from China, Inolife generally ships by air using major commercial couriers. For shipping between warehouses, Inolife may use container shipping when volumes go up. Within the EU, Inolife also uses a major commercial courier.

Research and Development

See Inolife management's discussion and analysis for the year ended December 31, 2019 in the Appendix "C" - *"Financial Statements and MD&A of Inolife R&D Inc."* for a detailed description of the R&D activities of Inolife.

Although historically many staff members were mainly responsible for R&D, as Inolife was moving towards manufacturing and commercialization, the roles and skill set of the team evolved over time to include, operational, purchasing, manufacturing, quality & regulatory compliance. While some will contribute from time to time to R&D, they are not leading the projects nor are they responsible for defining or achieving any milestones of the R&D. Considering the limited human resources available, Inolife values the participation and contribution of all team members.

With respect to R&D, Inolife could seek external assistance for the following:

- Complicated mechanical engineering
- Industrial design (mainly esthetics, product look & feel)
- Electronic hardware design
- Software design

Often the above is done in close collaboration with Inolife's internal team. Inolife staff remains responsible for the overall design solutions, design specifications, design for manufacturing, design verification & validation, usability engineering, risk management, design transfer activities, etc.

Below is a brief description of the activities performed by the Inolife R&D staff:

- Design verification is the testing of the products against the common/design specification and applicable standards.
- Design validation is the evaluation of the design against the user inputs/expectations, confirming the general usability, effectiveness, and safety of the product.
- Design for manufacturing include all activities that transform a prototype to a mass-producible product.

- Usability engineering includes all activities that help to ensure the device and device interface are designed to prevent user-errors and result in safe use.
- Risk management relates to the activity of identification, assessment, and elimination of risks throughout the product lifecycle.
- Design-transfer activities relate ensure device design (design outputs) are transferred into (verified as) suitable production specifications.

These activities are all mandatory activities part of Design & Development of Medical Devices in compliance with ISO 13485.

The R&D activities with respect to the InsuJet™ product line are primarily performed in Amsterdam and Shenzhen with Canadian strategic direction and oversight. The R&D program with respect to InsuJet™ is approved by the CEO and CFO of Inolife, who are both based in Canada, after internal discussion of needs and financial resources available. Once final approval is given by the CEO, the R&D program is implemented by the COO with updates to the CEO and CFO as required. In addition, strategic developmental plan, potential target segments application, incremental budget approvals, potential development partnerships are all spearheaded from Canada.

Inolife has previously outsourced certain R&D and engineering work to a Swiss engineering firm. They have historically been involved in the development of InsuJet™ V7 and V8 devices. Inolife may require additional support from the firm but the involvement is for specific and isolated mandates. They are currently not engaged in any R&D for Inolife.

The Inojex device is in pre-commercialization development phase and the next step is to build a 1 cavity prototype tool for the molding of the Ampoule Housing part (disposable syringe).

The table below summarizes the types of R&D activities performed by Inolife's offices with respect to the InsuJet™ and Inojex devices:

Entity	Allocation (%)	Activity	Notes
V6			
Canada	0%	N/A	N/A
The Netherlands	50%	Jointly take part in the R&D activities (described above)	In-house: 0.5 staff
Shenzhen, China	50%		In-house: 0.5 staff
V7			
Canada	50%	• Design for manufacturing of certain key-components • Hardware optimization and testing • Software development • Software validation • Design verification & validation	Internal involvement of management as described above. External: Testing & validation by third party and contract manufacturing.
The Netherlands	25%	Jointly take part in the R&D activities (described above)	In-house: Up to 2 staff External: contract manufacturer
Shenzhen, China	25%		In-house: Up to 2 staff

V8			
Canada	33%	- Design for manufacturing of certain key-components - Design verification & validation	Internal involvement of management as described above. External: Testing & validation by third party and contract manufacturing. External trials: hospital / university
The Netherlands	33%	Jointly take part in the R&D activities (described above)	In-house: 1 staff Outsourced: 1 External design engineer
Shenzhen, China	33%		In-house: 2 staff
Inojex			
Canada	100%	Pre-manufacturing prototype tooling for the molding of the Ampoule Housing part (disposable syringe).	Internal involvement of management as described above. External: Testing & validation by third party and contract manufacturing.
The Netherlands	0%	N/A	N/A
Shenzhen, China	0%	N/A	N/A

The above table indicates the staff we have involved working on each project at which location, this does not mean they are engaged full-time in the project.

Inolife allocates its employee expenses on R&D on the basis that a portion may be allocated to new product development and a portion may be allocated to manufacturing depending upon the type of work that was done.

The prototype of the Inojex device was used in a research study with McGill University and CHEO-RI. See "*Inolife - Business of Inolife – History*" for more information with respect to the McGill University and CHEO-RI studies. Please note that the McGill University study has been halted.

Market

There is a global market for needle-free injector devices. Injections are a common healthcare procedure, administered to billions every day but the technique is increasingly going needle-free.

Inolife's InsuJet™ needle-free injection system has received regulatory approval for use in more than 40 countries globally including: Belgium, Portugal, Spain, Germany, Netherlands, Poland, Switzerland, France, Italy, Norway, Finland, Denmark, Sweden, Iceland, England, Wales, Scotland, Northern Ireland, Republic of Ireland, Austria, Bulgaria, Romania, Estonia, Slovakia, Slovenia, Latvia, Czech Republic, Liechtenstein, Luxembourg, Lithuania, Hungary, Greece, Malta, Cyprus, Iraq, Saudi Arabia, Jordan, Australia, New Zealand, Taiwan, Malaysia, Hong Kong and Brazil. See "*Inolife – Business of Inolife - Current Business Operations - Regulatory Framework and Applicable Laws*".

The rapid growth of needle-free injection devices is being driven by a number of factors:

- **More effective:** Provides faster absorption of medicine than needles.¹
- **Safer alternative:** Eliminates cross-contamination, injuries, and infections. Annual needlestick injuries are 839 per 1,000 health care workers and cost of injuries range for up to \$3,766 USD each.²
- **Reduced costs:** Needle-free delivery is less expensive than delivery with the use of needles. Cost per million injections is estimated to be \$1,000,000 USD for the delivery using a needle and between \$42,000 and \$200,000 USD for the needle-free delivery.³
- **More sustainable:** Needle-free injectors reduce biohazards waste as all used needles are biohazards.⁴
- **Reduced fear:** Patients report less pain and discomfort with needle-free injections, making them more likely to adhere to medications. 1 in 10 Americans experience an extreme fear of needles.⁵

Inolife's InsuJet™ needle-free injection system has a variety of benefits such as:

1. Proven technology;
2. Portable, all-in-one design;
3. Flexible dosage setting due to incremental dose system;
4. Safe, two-step automatic release system: safety switch combined with minimum counter pressure;
5. Clinical proof of efficacy platform;
6. Enhanced drug absorption rate;⁶
7. Higher acceptance among patients with needle-phobia;
8. Reduced chance of needle-stick injuries and cross contamination; and
9. Reduced chance of intra-muscular injections.

¹ Balagani, Pavankumar & Manubolu, Sindhuri. (2015). Needle Free Drug Delivery System: An Update of Upcoming Evolution. World Journal of Pharmacy and Pharmaceutical Sciences. 4. Available online at: https://www.researchgate.net/publication/270788904_NEEDLE_FREE_DRUG_DELIVERY_SYSTEM_AN_UPDATE_OF_UPCOMING_EVOLUTION/citation/download

² Lee, Jennifer & Botteman, Marc & Xanthakos, Nicholas & Nicklasson, Lars. (2005). Needlestick Injuries in the United States: Epidemiologic, Economic, and Quality of Life Issues. AAOHN journal: official journal of the American Association of Occupational Health Nurses. 53. 117-33. 10.1177/216507990505300311. Available online at: https://www.researchgate.net/publication/7945868_Needlestick_Injuries_in_the_United_States_Epidemiologic_Economic_and_Quality_of_Life_Issues

³ Carlson, Bruce (2009). Sparing Patients the Needle Remains a Priority. Kalorama Information, Vol. 29, No. 19. Available online at: <https://www.genengnews.com/magazine/sparing-patients-the-needle-remains-a-priority/>

⁴ <https://www.fda.gov/media/87634/download>

⁵ Orenius, T., Säilä, H., Mikola, K., & Ristolainen, L. (2018). Fear of Injections and Needle Phobia Among Children and Adolescents: An Overview of Psychological, Behavioral, and Contextual Factors. SAGE Open Nursing. Available online at: <https://doi.org/10.1177/2377960818759442>

⁶ Helana M. de Wit, Elsemiek E.C. Engwerda, Cees J. Tack, B.E.de Galan, Diabetes, Obesity and Metabolism 2015 <https://pubmed.ncbi.nlm.nih.gov/26259978/>

InsuJet™ clinical benefits for insulin

According to the International Diabetes Association:⁷

- In 2019, approximately 463 million adults (20-79 years) were living with diabetes; by 2045 this is predicted to rise to 700 million.
- In 2019, the estimated number of people who are above 65 years old and who have diabetes is 1 in 5.
- 374 million adults (20-79 years) are estimated to have impaired glucose tolerance.
- Diabetes and related complications are estimated to have caused 4.2 million deaths in 2019.
- Diabetes caused at least USD 760 billion dollars in health expenditure in 2019.

The below table summarizes the most important clinical investigations conducted specifically using the InsuJet™ injection technology.

Links to the studies are provided, and the studies have been published in credible journals, meaning that they have been peer reviewed.

The studies show that the application of insulin using the InsuJet™ system results in a complete administration of medicinal product into the subcutaneous layer. The effects on postprandial glucose levels, insulin absorption, tolerability, are similar to better following administration of insulin by InsuJet™ compared to the conventional needle injection.

Description	Journal	Objectives	Conclusion
Insulin administered by needle-free jet injection corrects marked hyperglycaemia faster in overweight or obese patients with diabetes. Helana M. de Wit, Elsemiek E.C. Engwerda, Cees J. Tack, B.E.de Galan, Diabetes, Obesity and Metabolism 2015 https://pubmed.ncbi.nlm.nih.gov/26259978/ Cited by 5 articles. Impact Factor (2019): 6.092	https://www.scijournal.org/impact-factor-of-diabetes-obes-metab.shtml Diabetes, Obesity & Metabolism is primarily a journal of clinical and experimental pharmacology and therapeutics covering the interrelated areas of diabetes, obesity and metabolism.	To test whether jet injection of insulin resulted in faster correction of marked hyperglycaemia than when insulin is injected by a conventional pen in patients with diabetes.	Administration of rapid-acting insulin by jet injection results in faster correction of marked hyperglycaemia in overweight or obese patients with insulin-requiring diabetes.
Improved pharmacokinetic and Pharmacodynamic profile of rapid-acting insulin using needle-free injection technology. E.E.C Engwerda, E.J. Abbink, C.J. Tack, B.E. de Galan. Diabetes Care Publish Ahead of Print, published online June 29, 2011 https://pubmed.ncbi.nlm.nih.gov/21715522/ Cited by 17 articles	https://www.scijournal.org/impact-factor-of-diabetes-care.shtml Diabetes Care is a journal for the health care practitioner that is intended to increase knowledge, stimulate research, and promote better management of people with diabetes.	Insulin administered by jet injectors is dispensed over a larger subcutaneous area than insulin injected with a syringe, which may facilitate a more rapid absorption. This study compared the pharmacologic	Administration of insulin aspart by jet injection enhances insulin absorption and reduces the duration of glucose-lowering action. This profile resembles more closely the pattern of endogenous insulin secretion and may help to achieve better

⁷ International Diabetes Federation. *IDF Diabetes Atlas*, 9th edn. Brussels, Belgium: 2019. Available at: <https://www.diabetesatlas.org> at p. 33

Description	Journal	Objectives	Conclusion
Impact Factor (2019): 14.414		profile of administration of insulin aspart by jet injection to that by conventional insulin pen.	meal insulin coverage and correction of postprandial glucose excursions.
Pharmacokinetic and Pharmacodynamic Variability of Insulin When Administered by Jet Injection Elsemiek E. C. Engwerda, MD, PhD1 , Cees J. Tack, MD, PhD1 , and Bastiaan E. de Galan, MD, PhD. Journal of Diabetes Science and Technology 2017, Vol. 11(5) 947–952 © 2017 Diabetes Technology Society Reprints and permissions: https://pubmed.ncbi.nlm.nih.gov/28303726/ Cited by 4 articles Impact Factor (2019): 3.462	https://academic-accelerator.com/Impact-Factor-IF/Journal-of-diabetes-science-and-technology Aims and ScopeJournal of Diabetes Science and Technology (DST) is a bi-monthly, peer-reviewed scientific e-journal published by the Diabetes Technology Society, a non-profit organization.	Jet injection has been shown to accelerate the absorption and action of rapid-acting insulin. In this study, we compared the variability of absorption characteristics between jet injection and conventional administration of the rapidacting insulin analogue aspart.	Regular human insulin by jet injection had a faster onset of glucose-lowering effect compared to aspart by conventional pen. Jet-injected regular human insulin had a pharmacological profile that was essentially not dissimilar from that of aspart insulin administered by conventional pen, and can therefore be used as an alternative for conventionally administered rapid-acting insulin analogues

InsuJet™ administration improves the action of onset of the insulin, opening a complete range of possibilities:

- **Improved pharmacokinetics:** The pharmacokinetics of regular insulins that are administered with the InsuJet™ are virtually identical to the more expensive fast acting insulins (analogues) that are injected with a needle-based system (see study 1 in the table above).
- **Fast acting:** The injection of a fast action insulin with InsuJet™ creates the fastest acting insulin currently available, quickly lowering the glucose exposure after a sugar-rich meal (see study 2 in the table above).

These 2 advantages are particularly beneficial for patients with high body mass index ("**BMI**") as research shows that there is a strong association between BMI and rate of insulin absorption in healthy subjects, arguing a role for greater subcutaneous tissue thickness, see de Galan, B. E., Engwerda, E. E., Abbink, E. J., & Tack, C. J. (2013). Body mass index and the efficacy of needle-free jet injection for the administration of rapid-acting insulin analogs, a post hoc analysis. Diabetes, obesity & metabolism, 15(1), 84–86. <https://doi.org/10.1111/j.1463-1326.2012.01666.x>

Potential benefits and possible uses of InsuJet™ also include:

- **Better protection of innovative products:** Pharma companies spend a significant amount of their resources on development and testing of new drugs, which will run out of patent within a relatively short time span. Using jetstream injection technology, these companies can create a line extension of existing product or make a unique drug-device combination that significantly raises the entry barrier for competing drugs.
- **Software patient management systems:** Electronic operation and Bluetooth connectivity opens up a new range of possibilities for disease treatment management systems:

- Providing in-depth knowledge of compliance and use for healthcare payers;
- Push notifications and instructions for user; and
- Home distance monitoring.

Regulatory Framework and Applicable Laws

- **Canada:** Registration in Canada is performed in collaboration with LOK North America, a regulatory consultant with experience in registering medical devices with Health Canada. Health Canada granted a Class II Medical Device License to the Inolife Needle-Free System known as InsuJet™ on August 5, 2021, with LOK QualiT listed as the manufacturer. Under the current Medical Device Certificate, the Needle-Free device can be sold in Canada for general use (as opposed to only in combination with a specific drug) and is currently approved for sales by prescription (Rx). The Needle-Free Injection System will also be approved for use by healthcare professionals, caregivers or patients for self-administration in the home environment. For additional clarity: the Needle-Free Injection System is approved by Health Canada as a device intended to deliver various medicines and vaccines subcutaneously by means of a narrow, high velocity jet of fluid which penetrates the surface of the skin and delivers the medicine or vaccine to the body.

Inolife is in the process of being registered as the "Private Label Manufacturer" which will allow for the Inolife Needle-Free device to be sold with Inolife identified as manufacturer, and with a brand name of choice. The registration as the "Private Label Manufacturer" is expected to be finalized in 2021.

Inolife does not anticipate any potential delays or regulatory hurdles to this administrative process.

- **US:** FDA clearance will be obtained via a 510k submission. The 510k is based on the previously-approved PharmaJet as a predicate device. The PharmaJet is determined to be substantially equivalent to the InsuJet injector in terms of technology (spring powered liquid jet injector) and general use (delivery of liquid medicine and vaccines in the subcutaneous tissue). The strategy is to go for Rx approval first. The process will be started after the Health Canada approval is obtained. The team involved in the registration includes regulatory expert Jim Barley, which has previously obtained regulatory approval for the Inojex needle-free injector in the FDA. The filing for the FDA clearance is ready pending the Completion of the Transaction.
- **China:** Registration of the device under the new NMPA Registration (MHA policy) as class III medical device at Beijing. This new regulatory pathway allows separation between device registration holder and manufacturer. EPG currently has prepared the submission files according to the local requirements, registered on the NMPA registration platform and is currently planning the product testing at a Chinese approved lab. Two suitable contract manufacturers have been selected which may qualify under the NMPA for the manufacturer license.
- **Other:** Registration will commence when a local distributor is approved. To obtain local market approvals, most countries require a local authorized representative. Typically, the local representative will assist with the submission of the registration documents to the local authorities. Typically, a 3-year agreement will be signed with the local authorized representative for the exclusive distribution of the products in the market. Compared to the above 3 countries, other local registrations are relatively easy to obtain based on the companies valid CE certificate. Inolife has also commenced the process of obtaining an additional Certificate of Origin in the Netherlands that streamlines the process for the sale and distribution of products in certain markets from a regulatory perspective.

Set out below is a table with an overview of the applicable laws and regulations, as well as the status of the presence of Inolife's distributors, in certain countries where Inolife currently sells its products or is authorized to do so. (InsuJet™ V5).

The "✓" in the table under "Approved/cleared for sales" indicates the country and region in which the device has obtained regulatory health approval and was cleared to be sold. The "✓" in the table under the "Local representation distributor" column indicates that there is an agreement in place with a local distributor in the corresponding region/country.

The header “Regulatory authority” identifies the regulatory body that is responsible for the approval and ongoing audit of Inolife’s compliance with the Region and Countries Health Care guidelines, and the header “Applicable laws & regulation” identifies the laws and regulations of the guidelines and requirements of the regions and countries. Additionally, the “Certificate number & expiry date” column identifies the certificate number issued by the region's or country's Health Authorities and Regulators as well as the expiration date of the current Health Care approval to sell the device in that market.

Countries where Inolife is currently authorized to sell

Region/Countries		Approved/cleared for sales	Local representation distributor	Regulatory authority	Applicable laws & regulation	Certificate number & expiry date
European countries and signatories to the European Economic Area (EEA)	General			The competent national authorities of EU member under surveillance by Notified Body (GMED), CE 0459	MDD 93/42 EEC	N° 21361 rev. 8
					MDR (EU) 2017/745	26-May-24
	Netherlands	✓	✓		Marketing approval by European committee, Clinical investigation & Post market surveillance by EU members. Certification by Notified bodies. For class II and above, which is designated for corresponding device categories. Annual surveillance audit and unannounced audit for manufacturer with CE-marked device is also conducted by Notified bodies	
	Hungary	✓	✓			
	Belgium	✓	✓			
	Bulgaria	✓				
	Croatia	✓				
	Cyprus	✓				
	Czech Republic	✓	✓			
	Denmark	✓	✓			
	Estonia	✓				
	France	✓				
	Finland	✓				
	Germany	✓				
	Greece	✓				
	Iceland	✓				
	Republic of Ireland	✓				
	Italy	✓	✓			
	Latvia	✓				
	Liechtenstein	✓				
	Lithuania	✓				

Region/Countries		Approved/cleared for sales	Local representation distributor	Regulatory authority	Applicable laws & regulation	Certificate number & expiry date
	Luxembourg	✓				
	Malta	✓				
	Austria	✓				
	Norway	✓				
	Poland	✓				
	Portugal	✓				
	Romania	✓				
	Slovakia	✓				
	Slovenia	✓				
	Spain	✓				
	Sweden	✓				
	Switzerland	✓				
	Scotland	✓	✓	Medicines & Healthcare products Regulatory Agency (MHRA)	Device to be registered in the MHRA	CE certificate N° 21361 rev. 8 will be recognized until July 1, 2023
	Wales	✓	✓			
	Northern Ireland	✓	✓			
	England	✓	✓			
Middle East North Africa	General				MDS-G5 (Guidance on Requirements for Medical Device Listing and Marketing Authorization Requirements)	
	Kingdom of Saudi Arabia	✓	✓	Kingdom of Saudi Arabia Saudi Food & Drug Authority (SFDA)	In December 2019, Saudi Arabia launched a new Unified Electronic System "GHAD" replacing existing medical devices systems for listing, registration and establishment licensing (MDMA, MDNR and SFDA). As per July 2021, local and foreign Medical Devices manufacturers are request to register or renew their licences under the new system GHAD.	GHTF-2019-3585 Exp.27 Oct. 2021. The latest CE certificate 21361 rev 8_DC 37383.1_EC certificate EXP. 26 May 2024 has been obtained, based on which the local certificates can be extended. This is in process.

Region/Countries		Approved/cleared for sales	Local representation distributor	Regulatory authority	Applicable laws & regulation	Certificate number & expiry date
	Jordan	✓	✓	Ministry of Health (MOH) Jordanian Food and Drug Administration (JFDA)	Device classified according to the regulations that apply in one or more of the GHTF Founding Member jurisdictions (namely Australia, Canada, Japan, USA, or the EU). Jordan accepts both the EU and FDA classification models. Licenses issued in Jordan expire when the device's previously obtained license (from the USA, EU, or Japan) expires.	No expiry date
	Iraq	✓	✓	The State Company for Marketing Drugs and Medical Appliances (KIMADIA)	Imported medical equipment and other technologies are subject to pre-shipment inspection by KIMADIA, a function that is currently outsourced to two foreign companies. All products are subject to quality testing by the National Centre for Drug Control and Research (NCDCR) and the Central Public Health Laboratory before they are released for distribution.	No expiry date
Asia	Taiwan	✓	✓	Taiwan Food and Drug Administration (TFDA)	Medical Devices Act(2020, 01 15)	DHA09200122104
					https://law.moj.gov.tw/ENG/LawClass/LawAll.aspx?pcod=c=L0030106	Exp.14 Feb.2022
	Hong Kong	✓	✓	Medical Device Division(Hong Kong Medical Devices Control Office)	Medical Device Administrative Control System and Regulation of Medical Devices. Listing (voluntarily) for importation and sale of medical device in HK.	# 120153 Exp.1 Jun. 2022
					https://www.mdd.gov.hk/en/mdacs/index.html	
	Malaysia	✓		Medical Device Authority (MDA)	Medical Device Act 2012	GC89549708218
					Foreign manufacturers entering the Malaysian market will be able to leverage their existing approvals in recognized reference markets (Australia, Canada, European Union countries, Japan, and USA)	Exp.27 Feb.2023
Oceania	Australia	✓	✓	TGA(Therapeutic Goods Administration)	Therapeutic Goods Act 1989	180917
						Exp. NA
					Pre-market assessment, post-market monitoring and enforcement of standards, licensing of Australian manufacturers and verifying overseas manufacturers' compliance with the same standards as their Australian counterparts.	
					https://www.legislation.gov.au/Series/C2004A03952	
					https://www.tga.gov.au/legislation-legislative-instruments	

Region/Countries		Approved/cleared for sales	Local representation distributor	Regulatory authority	Applicable laws & regulation	Certificate number & expiry date
	New Zealand	✓	✓	MEDSAFE	Medicines Act 1981	180917
					Listing-Premarket approval not required.	Exp. NA
					https://www.medsafe.govt.nz/regulatory/DevicesNew/4Importing.asp	
North America	Canada	✓	✓	Health Canada (HC)	Medical Devices Regulations SOR98-282	106493 Issue date: 2021/08/05
					Regulated by HC. Registration to HC and quality system audited by 3rd party which is recognized for MDSAP	
					https://laws-lois.justice.gc.ca/eng/regulations/SOR-98-282/	
South America	Brazil	✓		The Brazilian Health Regulatory Agency (Anvisa)	Brazilian Resolutions RDC 16/2013, Resolution RDC 185/2001	80117580601
					https://www.gov.br/anvisa/pt-br	Exp. NA

Set out below is a table with an overview of the applicable laws and regulations in certain countries where Inolife *proposes* to sell its products, and where currently regulatory approvals have not yet been obtained. In all the listed regions/countries, regulatory approval processes are underway or have not yet begun.

Countries where Inolife proposes to sell, but is currently not authorized to sell

Region/Countries		Regulatory authority	Applicable laws & regulation	Status
Middle East North Africa	Qatar	The Ministry of Public Health (MOPH)	Medical Devices registration in Qatar is conducted through the Ministry of Economy and Commerce (MEC).	Discussions with parties to sign local Authorized representative agreement are ongoing and are expected to be signed in 1-2 months.
		The Ministry of Economy and Commerce (MEC)	Currently medical devices do not require registration, but they do require an import permit, which must be obtained by a local authorized representative (Medical devices must be authorized by one of the founding members of the Global Harmonization Task Force (GHTF) to obtain market access.).	
	UAE	Ministry of Health (MOH) in the United Arab Emirates.	Medical Devices regulations are substantially orientated towards GHTF guidelines as well as towards EU requirements. A simplified registration process for Devices that have received approval from recognized regulatory agencies, such as those in Europe, the US, Australia, Canada or Japan.	Registration process has not begun.
	Israel	AMAR (Ministry of Health Medical Institutions and Devices Licensing Department)	Medical device regulation (2012).	Registration process has not begun.
			The MOH recognizes the Food and Drug Administration (FDA) certification and the European Union CE Mark, and approves products carrying such certifications without further requirements. Furthermore, MOH implements FDA's recommended indications for the Devices.	
	Egypt	CAPA (Central Administration of Pharmaceutical Affairs)	All medical devices must be registered and obtain the Marketing Authorization. The Egyptian regulatory system for Medical Devices is highly similar to the system in the European Union	Registration in progress. Total time is estimated 3-5 months to completion.
Asia	Singapore	HAS	Health Products (Medical Devices) Regulations 2010	Registration process has not begun.
			Health Products Act 2007 No. 15 of 2007	

Region/Countries		Regulatory authority	Applicable laws & regulation	Status
			Prompt, accelerated and abbreviated assessment for device which already obtain approval from EU/FDA/etc.	
	China	NMPA	Medical Devices Regulations -National Directive Nr 739	Registration in progress. Total time is estimated <18 months to completion. No local clinical studies are required as the device has been previously registered as imported MD and the company also has clinical data from TW/HK representing Chinese ethnicity.(According to China registration regulation state directive No 4, article 22
			Regulated by NMPA including device registration and quality system audit (GMP)	
	Philippines	FDA	FDA Circular 2020-0001	Registration process has not begun.
			A0-2018-002	
			Regulated by The Philippines TM Food and Drug Administration (FDA), under the Department of Health.	
North America	USA	FDA	Code of Federal Regulations Title 21 ,Chapter I, subchapter H.	Registration process has not begun. 510k file for submission has been prepared.
			Regulated by FDA, including device registration and quality system/GMP)	
			https://www.ecfr.gov/cgi-bin/text-idx?SID=e75ea0165f43e0bb40c40dc95f9dc8bf&mc=true&tpl=/ecfrbrowse/Title21/21cfrv8_02.tpl#0%20	
	Mexico	COFEPRIS	NOM-137-SSA1-2008	Registration process has not begun.
			NOM-240-SSA1-2012	
			Equivalence review for device approved for US, Canada, Japan	
South America	Argentina	Administración Nacional de Medicamentos, Alimentos y Tecnología Médica (ANMAT)	ANMAT Provision 5627-2006	Registration process has not begun.
			Resolution 3802/2004	
			Disposition 4306/99.	
			Disposition 2318/02	
			Regulated by ANMAT including product registration and GMP certification	

See also "Inolife – Emerging Markets Disclosure".

Competitive Conditions

Inolife competes with other companies that research and develop needle-free medication administration devices in various markets. Although all offer needle-free solutions, many of the competitors: (i) have significant differences in their method of delivery, or (ii) are a drug/device combination, or (iii) are owned and distributed by a specific pharmaceutical company for a specific application, or (iv) have not yet been commercialized.

Companies such as Portal Instruments that are positioned to serve patients with chronic diseases self-managed at home with biologic-based therapies, has received over USD \$50 million in investments since 2015 but it is not yet commercializing their product.

The following table identifies Inolife's current competitive landscape:

Product	Company	Description	Indication	Technology	Market
J-TIP	National Medical Products (Private)	The J-Tip is a needle-free drug/medical device combination product. It is a disposable, single dose, single use injector that comes pre-loaded with a liquid anesthetic drug used for numbing areas of the skin prior to needle injections. It is sold to medical organizations as regional anesthetic drug	Lidocaine	Co2 disposable	Several countries
Dose Pro	Zogenix (Public)	Dose Pro is a needle-free drug medical device combination product. It is a disposable, single dose, single use injector that comes pre-loaded with a liquid drug indicated for the acute treatment of migraine. It is sold to patients in pharmacies as a prescription drug.	Migraine	Co2 disposable	N/A
ZetaJet	Inovio (Public)	The ZetaJet a needle-free drug/medical device combination product. It is a disposable single dose, single use injector preloaded with a liquid vaccine and primarily used for mass-immunization programs.	Flu and DNA Vaccine (SIRNA)	Co2, reusable	USA
PharmaJet	PharmaJet (Private)	The PharmaJet is a needle-free injector. It is reusable, single dose injector exclusively used for the administration of liquid vaccines. It is primarily used for mass-immunization programs.	Flu, Measles and Polio Vaccine	Spring, reusable	Several countries
ImplaVax	EnessiPharma (Private)	The Implavax is a needle-free injector. It is a reusable, single dose injector that injects solid dose implants of vaccines. It is primarily used for mass-immunization programs.	Diabetes, Vaccines	Spring, cartridge	Clinical phase
ZENEO	CROSSJECT (Public)	The Zeneo is a needle-free drug/medical devise combination	Epilepsy, Migraine,	Co2, disposable	Multiple

Product	Company	Description	Indication	Technology	Market
		product. It is a disposable, single dose, single use injector pre-loaded with an emergency drug.	Anaphylactic Shock, Overdose, Temporary Paralysis, Adrenal Crisis, Acute asthma		
Comfort-in	MK Global (Private)	The Comfort-in is a needle-free injector. It is reusable, single dose injector for exclusively used for the administration of liquid vaccines. It is sold online directly to the patients.	Aesthetic, Anesthesia, Diabetes	Spring, reusable	Several countries
ZomaJet	Ferring Pharmaceutical	The ZomaJet is a needle-free drug/medical device combination product. It is a disposable, multi dose, single use injector pre-loaded with Growth Hormone. It is sold in pharmacies as a prescription drug.	Growth Hormones	Spring, reusable	USA, Europe, Asia, Japan
T-Jet	Antares/Teva	The T-Jet is a needle-free drug/medical device combination product. It is disposable, multi dose, single use injector pre-loaded with Growth Hormone. It is sold in pharmacies as a prescription drug.	Growth Hormones	Spring, reusable	North America

The competitive advantage of InsuJet™ is that it has the only reusable spring-powered injector which has the following features:

- integrated spring setting mechanism with no need of an external tools to reset spring;
- integrated dosing mechanism with dose window, no external tools needed to set the target dose inside the nozzle/dose chamber that allows variable dose capabilities if required (i.e. insulin injections); and
- counter pressure safety mechanism that ensures the device only activates when the appropriate force is placed against the target injection site, which results in consistent injection quality.

The combination of features results in a compact design and perhaps the most user-friendly needle-free injector on the market, most suitable for self-injection.

Anticipated Business Operations

These are the business operations contemplated to be conducted in the second and third years following the Completion of the Transaction.

Following the Completion of the Transaction and the listing on the TSXV, Inolife intends to raise capital to enable it to accelerate the sale of its existing needle-free InsuJet™ V5 injector and to fund, if financial resource are available, first, the development of the next generations of current injector product, InsuJet™, and second, the development of other needle-free delivery technologies (Nanojex and Inojex). The current version of the InsuJet™ (V5) product is ready and currently available for sale and does not require additional research and development. Development of the

other platforms is conditional on the success of current development efforts and could require more capital depending on results.

Inolife's business plan is focused on the growth of the InsuJet™ product for the global diabetes market which is currently approved for sale in over 40 countries. Inolife's business is based on the "razor/ razor blade" recurring revenue model with focus on ramping up sales of its injectors which then increases the sales of consumables (nozzles and adaptors). Over time, the active user base increases which then further increases sales of consumables.

In Q1 2021 Inolife signed new sales agreements with distributors in Hungary and Egypt which are expected to convert into sales in the upcoming quarters. Inolife plans to use the funds in escrow, once closing conditions are achieved, to increase the marketing and sales initiatives in existing markets as well as select developed and emerging countries where it has regulatory approval, high incidence of diabetes and able to partner with established distributors. In select markets, Inolife will seek, in conjunction with its distribution partners, to increase general awareness of its products to end users with increased advertising, sales support and co-marketing programs, training, and related activities.

Upon obtaining regulatory approvals from Health Canada and FDA, there are no other impediments to selling the Inolife Needle-Free Injection System know as InsuJet™ in North America.

Inolife currently has significant unused manufacturing capacity in its current facilities and plans to begin scaling up production and inventory once it begins executing on the business plan. Furthermore, upon Completion of the Transaction, Inolife will continue its transitioning to a new global entity following the integration of its subsidiaries to be branded as "NuGen Medical Devices Inc."

Marketing Plans and Strategies

Currently, the end users of the Inolife products are diabetics. Inolife presently has agents or distributors in 15 countries. In markets/countries with no distributor (such as Hong Kong), Inolife sells directly to the consumer through its e-commerce website until a qualified distributor can be found.

Inolife's sales and marketing objectives in the short term are to expand and improve its network of distributors in select markets where it currently has regulatory approval (40+ countries globally), good demand for diabetes treatment and a solid distribution network:

1. **Developed markets.** Improve penetration in existing developed markets in Europe and expand into select developed markets in Europe, Asia Pacific and Scandinavia.
2. **Emerging markets.** Improve penetration in existing emerging countries in Middle East and expand into select emerging markets in Middle East and Latin America.

Inolife is seeking or shall seek shortly regulatory approval in certain developed markets in North America and Asia Pacific and emerging markets in Latin America that have good demand for diabetes and other relevant therapies.

Inolife's marketing strategy is focused on demonstrating that cost of insulin therapy for Inolife needle-free products is comparable to other therapies on the basis of price, ease of use, efficacy, safety, and medical reference. In each market, Inolife plans to increase general awareness of its products to end users and introduce different applications for its needle-free injectors. Inolife also plans to increase support for its distribution network by supporting focus groups, co-marketing programs, training, after sales support and other related activities.

Inolife will drive sales by developing partnerships with key payor groups: governments (departments of health, immunization, military), institutions (hospitals, universities, etc.), insurers (HMOs, VA, etc.), NGOs and patient associations.

Inolife will also drive sales by developing partnerships with specialized pharmaceutical companies and the biotech industry worldwide for the demonstration of bio-equivalency and the manufacturing of liquid and powder pharmaceutical compounds presented in Inolife's needle-free delivery platforms.

Opportunities in Animal Markets

In October 2020, a potential distributor organized a focus group in the USA with participants composed of veterinarian and research scientists (the "**Focus Group**"). The contributing participants were from Princeton University, Temple University and the Wistar Institute. Due to COVID-19 restrictions, Inolife and the participants attended the Focus Group meeting via Zoom.

Following the Focus Group meeting, Inolife and the distributor have signed a non-disclosure agreement and currently are in the process of negotiating an agreement that would grant the distributor rights to (i) exclusive distribution of Inolife's product for the animal market for the territory of North-Eastern USA, and (ii) non-exclusive distribution of Inolife's product for the rest of the USA.

The animal market does not require FDA approval but does require branding and communication changes as although it is the same device, it is NOT for human use. In Q1, Inolife has made progress in preparing the injector to be suitable for animal administration for diabetes. This includes a change to the dose indication on the device, as well as labeling information on the device.

At present, Inolife is still in negotiations with the distributor and does not have a definitive timeline for the execution of a distribution agreement. Inolife does not anticipate selling products in the animal market in the next 12 months from the date of the Prospectus.

- According to Spots (<https://spots.com/pet-ownership-statistics/>), 84.9 million or 67% of American households own at least one kind of pet.
- According to Petpedia (<https://petpedia.co/cat-statistics/>), 42.7 million of US households have at least one cat and there are between 75 to 80 million cats in the USA. Finance Online reports over 90 million dogs in the USA in 2019.
- Finance Online reports over 90 million dogs in the USA in 2019. [Number of Dogs in the US 2021/2022: Statistics, Demographics, and Trends - Financesonline.com](#)
- According to Diabetes in Dogs (<https://torontocentralvet.com>), 0.2%-1.0% of dogs will develop type 1 diabetes and will become insulin dependent. The disease typically affects middle-aged (6 to 9 years) and older dogs, especially females that have not been spayed.
- The American Veterinary Medical Association (<https://www.avma.org/about>) confirms that veterinarians held over 118,000 jobs in 2020 in the USA and as per Spots, spending on pets reached \$95.7 billion in 2019.
- According to Banfield / Petsmart (<https://www.banfield.com/en/Wellness-at-banfield/Diet-nutrition-obesity/Diabetic-pets>), 1 in every 300 dogs, and 1 in every 100 cats are diabetic.

Based on above, a total estimated market size for diabetic dogs in the USA is 300,000 (90m/300) and there are currently 135,000 insulin dependent dogs in the USA (considering 0.2-1.0% will become insulin dependent at some stage of their life, affecting middle age and older dogs, adjusting with a factor of 0.25 to estimate the current proportion of that group which has insulin depending diabetes).

The animal market has no regulatory barriers in the USA, in other words, the needle-free injections technology does not require FDA clearance to sell to the veterinarians or for homecare of pets in the USA.

Manufacturing, Research and Development

Inolife's R&D activities will be performed between Inolife's R&D staff and external partners, following, or substantially similar to, the process described under "*Inolife – Business of Inolife – Current Business Operations – Research and Development*".

InsuJet™

Inolife's needle-free technology InsuJet™ platform is not limited to diabetes and is compatible in several important fields. Inolife intends to explore applications for chronic pain, growth and fertility hormone, migraine, erectile dysfunction, autoimmune, anesthesia, as well as mRNA, DNA and conventional vaccines. The major design projects are focused on two areas: (i) the current InsuJet™ platform that allows small incremental improvements, which includes the current InsuJet™ V5 and the future InsuJet™ V6, and (ii) the next generations of the device with additional features and a higher degree of innovation that are intended to be included for the InsuJet™ V7 and V8.

- **InsuJet™ V6**

The InsuJet™ V6 device is an incremental improvement of InsuJet™ V5, and has some improvements in the housing design, ergonomics and usability features. The next phase of development will include design for manufacturing, and design transfer. The total process is estimated to be approximately 18 months.

- **InsuJet™ V7**

The InsuJet™ V7 device will have more innovations, where smart & connective features are added by the incorporation of electronics (e.g. Bluetooth LE.) The device will be positioned as a more high-end version of the device, targeting mainly developed countries, with better monitoring and traceability of user data. Because of the introduction of both electronics and software, the total development time and approval process is expected to take approximately 30 months.

- **InsuJet™ V8**

The InsuJet™ V8 device will feature more innovations to enhance the overall usability of the product by eliminating the need to use separate adaptors for the filling of the device dose chamber (nozzle) with insulin prior to each injection. The current development time is expected to be 36 months, where more time is dedicated to the engineering.

The table below provides a summary of the current development objectives with respect to the InsuJet™ system:

Design & Development timeline					
Project		Year 1 ⁽¹⁾	Year 2	Year 3	Year 4
Current InsuJet™ platform	InsuJet™ V5	In market	In market	In market	In market
	InsuJet™ V6 <i>User-friendly design</i> <i>More ergonomic design</i>	Design for manufacturing (partially completed) ⁽²⁾	Design for manufacturing (finalizing) Design Transfer	In market	In market
Next generation InsuJet™ platform	InsuJet™ V7 <i>Smart / IoT</i> <i>Bluetooth</i>	Software development (Partially completed) ⁽³⁾	Software development (Finalizing) Design for manufacturing	Design Transfer	In market
	InsuJet™ V8 <i>Refillable insulin cartridge inside</i>	Engineering (Partially completed) ⁽³⁾	Engineering (Finalizing) Design for manufacturing	Design Transfer	In market
Inojex		In development	In development	In development	In development

Notes:

- (1) Commencing after the Completion of the Transaction.
- (2) Portion of the funds to be spent depends on sales in year 1.
- (3) Spending on these items depend on levels of sales.

The table below provides a summary of the R&D plans for the InsuJet™ line of products:

		V6	V7	V8
Target market		Self-injection Home Care	Self-injection Home Care – Health Prof.	Self-injection Injection Pen
Countries		Developed / emerging	Developed	Developed / emerging
Pricing		Average	Premium	Average
Description		Cosmetic changes to exterior case to improve ergonomics	The addition of connectivity to the products provides added value to track & monitor injections	The placement of the insulin cartridge inside the device is for single- patient treatment only
Novelty		Minor (incremental)	Average (add-on)	Major
Timeline		18 months	30 months	36 months
Subsidiary	Inolife	0%	50%	33%
	EPG	50%	25%	33%
	EPG Shenzhen	50%	25%	33%
Incurred amounts		\$75,000	\$159,000	\$21,000
Amounts to be incurred		\$160,000 ⁽¹⁾	To be determined ⁽²⁾	To be determined ⁽²⁾

Note:

- (1) The amount of \$160,000 was not entirely included in the Uses of Funds table which only covers funds to be used for the next 12 months. Please see Note (4) of the Uses of Funds table. See "The Resulting Issuer – Available Funds and Principal Uses of Funds – Principal Uses of Funds".
- (2) The estimated cost to refine the prototype, the design manufacturing and the design transfer is not yet confirmed.

Additional R&D development has to be incurred on V7 and V8 (V6 is majority complete except for final work on design for manufacturing) to be able to provide reasonable estimate of costs which we will not deal with until year 2 following the Completion of the Transaction. The further development of V6, V7 and V8 will be funded by cash flow from future expected sales revenue. These projects are expected to require more investments in R&D and Capital Expenditures (CAPEX). These development activities will include:

	R&D Activities	CAPEX
V7	- Engineering consultancy costs - Prototype & trial production runs costs - Design verification costs (bench testing) - Design validation costs (user testing) - Process validation costs	- Injection molds - Production equipment
V8		

The functional improvements to V7 and V8 will require additional regulatory approval as well as additional processes of Inolife's quality management system. See "*The Resulting Issuer – Risk Factors - Regulatory Approvals and Agencies*" and "*The Resulting Issuer – Risk Factors - Approval Procedures in other Countries*".

Nanojex

The Nanojex device is a ballistics-based intradermal powder drug injection device, aimed at painless delivery of medicine intradermally using a gas jet to accelerate nanoparticles powdered drug or protein at supersonic speed with a single-use, disposable, handheld device. The nanoparticle powder technology permits a constant control of injection depth and targeting of specific tissues and cells while presenting the ability to precisely adjust pharmacokinetics.

Inolife's R&D activities with respect to Nanojex have been performed in collaboration with Precimold/Kamek, a full-service medical grade plastic injection molding contract manufacturer in Montreal, Canada. They have developed a working prototype of the single use disposable Nanojex device. The disposable device is currently in laboratory testing in order to validate the functionality and basic performance. Nanojex cumulative R&D costs incurred to date is \$260,882.

The nanoparticle powder injector technology used in Nanojex is still at the proof-of-concept stage with a focus on being 1) thermostable to eliminate the cold chain; 2) improved efficacy via potential for dose reduction; and 3) controlled release to enable time release drug delivery.

Although it is the ultimate goal to eventually commercialize Nanojex, Inolife has no present plans relating to manufacturing of this device. It was understood that Nanojex required much more development than anticipated and the project was put on hold until management further understands the budget, timeline and process to producing a validated and functional working prototypes as well as the path required to clinical trials for an eventual commercialization. This was also the reason that the agreement with TTS was amended in Q4 2020. At this time, Inolife believes there is a possibility to advance this opportunity and if Inolife decides not to pursue Nanojex, the TTS Agreement (defined below) between the parties can be terminated (as further described in the *Inolife – Business of Inolife – History – Technology Transfer Agreement and Assignment Agreement* section below).

Inojex

Inojex is another liquid jet needle-free technology of Inolife. It is currently on the pre-commercialization development stage and working prototypes of the Inojex device are currently being used in a clinical study at the Children's Hospital of Eastern Ontario Research Institute. The next step is to build a 1 cavity prototype tool for the molding of the Ampoule Housing part (disposable syringe). However, there is no R&D needed or plan to move into full manufacturing for commercialization within the next 12 months. Inojex cumulative R&D costs incurred to date is \$163,609.

See "*The Resulting Issuer – Risk Factors – Execution of Business Plan*", "*The Resulting Issuer – Risk Factors – Clinical Trials and Testing*", and "*The Resulting Issuer – Risk Factors - Research and Development Costs*".

Proprietary Protection

Inolife currently holds, directly or indirectly, several intellectual property rights in connection with its needle-free drug delivery systems:

Trademarks

InsuJet™ products are sold under the InsuJet trademark. Though the product is not sold widely at present, the trademark has value. Below is a summary table of the trademarks owned by Inolife:

Trademark name	Copy right number	Owner	Languages	Registration date	Valid to	Jurisdiction
InsuJet™	8513715	European Pharma Group B.V.	Dutch, English	March 8, 2010	August 27, 2029	European Union
InsuJet™	9099826		Chinese	March 14, 2012	March 13, 2022	China

Patents

Most of the patents applied for in the past are used to protect the manufacturer from being copied. Only 1 patent is filed in The Netherlands and internationally via PCT application, which is for a critical innovation which allows the drug to be stored within the device itself which is the key benefit of the InsuJet™ V8. None of the needle-free injectors on the market have such a feature and if brought to the market it is expected to significantly increase the safety and usability of the device and therefore enhance/spearhead market adoption of InsuJet™ injectors. More patents are expected to be filed for this technology, as well as to protect the technology used in the development of InsuJet™ V7 device. Below is a summary table of the patents owned by Inolife:

Patent name	Patent application number/patent number	Remarks	Patentee	Inventor	Filing date	Authorized	Jurisdiction
High precision nozzle mold	ZL 2017 2 0942863.X	Nozzle mold patent	European Pharma Group (Shenzhen) Ltd.	Nicky Canton, Boudewijn van Limpt	July 31, 2017	June 5, 2018	China
Sterile improved safety cartridge adaptor	201710640166.3	3mL adaptor innovation patent	European Pharma Group (Shenzhen) Ltd.	Nicky Canton, Boudewijn van Limpt	July 31, 2017	Pending, substantive examination is in process since 29 Nov.2017.	China
Sterile improved safety cartridge adaptor	ZL 2017 2 0942832.4	3mL adaptor utility patent	European Pharma Group (Shenzhen) Ltd.	Nicky Canton, Boudewijn van Limpt	July 31, 2017	January 29, 2019	China
Sterile vial adaptor	ZL 2017 2 0942864.4	10mL adaptor utility patent	European Pharma Group (Shenzhen) Ltd.	Nicky Canton, Boudewijn van Limpt	July 31, 2017	January 11, 2019	China
Electronic needle-free injector	2018 11130825.X	An electric liquid Injector innovation patent	European Pharma Group (Shenzhen) Ltd	Nicky Canton, Lily Li	Sep 27, 2018	Pending, substantive examination is in process since 27 Feb.2019.	China
Refilling system for medical device using jet delivery principle	N2025322 / 80771NL9-2	Refilling utility patent	European Pharma Group B.V.	Nicky Canton, Frederick J. C. Grimmeli-khuijsen	Apr 09, 2020	Pending	Netherland
Mechanism for puncturing a gas cartridge	2,858,485	Nanojex	Inolife R&D Inc.	Martin Brouillette Steven Dion Christian Hebert	Dec 15, 2011	Jan. 22, 2019	Canada
Mechanism for puncturing a gas cartridge	3,029,492	Nanojex	Inolife R&D Inc.	Martin Brouillette Steven Dion	Dec 15, 2011	Sept. 10, 2019	Canada

Patent name	Patent application number/patent number	Remarks	Patentee	Inventor	Filing date	Authorized	Jurisdiction
				Christian Hebert			
Mechanism for puncturing a gas cartridge	9,255,665 / 61570911	Nanojex	Inolife R&D Inc.	Martin Brouillette Steven Dion Christian Hebert	Dec 15, 2011	PCT Application	United States
Needless syringe and method for delivering therapeutic particles	10,279,113	Nanojex	Inolife R&D Inc.	Martin Brouillette Christian Hebert	May 17, 2013	PCT Application	United States
Needless syringe for the subcutaneous delivery of therapeutic agents	2,423,647	Nanojex	Inolife R&D Inc.	Martin Brouillette	Oct 20, 2000	Dec 22, 2009	Canada
Needless syringe for the subcutaneous delivery of therapeutic agents	7,320,677	Nanojex	Inolife R&D Inc.	Martin Brouillette	Oct 20, 2000	PCT Application	United States

History

Inolife was incorporated under the CBCA on September 5, 2017 as an emerging specialty medical device company. Inolife is not a reporting issuer under the securities laws of any jurisdiction and none of its securities are listed or posted for trading on any stock exchange.

On September 25, 2017, Inolife entered into an Assignment of Contract with 8687510 Canada Ltd. for the assignment and transfer of all rights, titles and interests held by 8687510 with respect to the Technology Transfer Agreement between 8687510 and the Université de Sherbrooke and its Affiliates. According to the terms of these agreements, Inolife has acquired all rights, titles and interests in the "Needless Syringe Technology" pursuant to the terms thereof. See *"Transfer Technology and Assignment Agreements"* below.

On May 2, 2018, Inolife announced the nomination of Dr. Richard Gallo to its advisory board. Dr. Gallo is an Interventional Cardiologist / Clinical Researcher at The Montreal Heart Institute, and as Assistant Professor of Medicine at the University of Montreal.

In 2018, Inolife also appointed two additional members to the advisory board, Dr. Ronald Denis and Joseph McClendon III.

Dr Ronald Denis, M.D. has been an Associate Professor of Clinical Medicine, Department of surgery, Université de Montréal since 1990, and has an extensive writing, teaching and research career.

Joseph McClendon III holds a doctorate in neuro psychology and several certifications in the neuro sciences arena. Mr. McClendon taught at the university of Southern California for seven years and is frequently called upon to lecture at other higher learning institutions like Harvard University and several Fortune 500 hundred companies.

On May 18, 2018, Inolife appointed Dr. Claude Vezeau and Dr. Nadeem Siddiqui as Chief Clinic Advisor and Chief Scientific Advisor respectively. Dr. Vezeau is responsible for envisioning, developing and managing Inolife's expanding clinic capabilities whereas Dr. Siddiqui is in charge of Inolife's scientific operations, including research and development across the full spectrum of applications.

On September 7, 2018, Inolife announced a partnership with the University of Ottawa and CHEO-RI to work on genetically-engineered viruses to treat cancers such as breast and melanoma using Inolife's needle-free injectors for the delivery of oncolytic viruses to treat cancers. CHEO-RI is one of the largest pediatric research institutes in North-America dedicated to finding less toxic ways to cure cancer and bring these novel treatments to clinical trials to save lives in children and adults. Dr. Tommy Alain's lab at CHEO-RI specializes in the study of viral-immunotherapeutics, an approach that uses oncolytic viruses to eliminate cancer cells and boost anti-tumor immune response rates in a broader population. The goal of the CHEO-RI study is to compare the initial infection and spread of oncolytic viruses within tumours when either administered intratumorally via a needle (usual control), or via Inolife's needle-free injection system. Preliminary results of this study have been received but the study has been delayed due to reasons surrounding the COVID-19 pandemic.

On February 28, 2019, Inolife announced the nomination of Dr. Camillo Ricordi, a world renowned diabetic researcher, to its advisory board. Dr. Ricordi serves as Director of the Diabetes Research Institute at the University of Miami where he conducts cure-focused diabetes research and cell transplantations. In this context, needle-free injections are the preferred method for achieving clinical immunogenicity and safety when injecting novel drugs, biosimilars, and heavy complex molecules such as DNA vaccines.

On July 31, 2019, Inolife entered into a Share Purchase Agreement with Care4Pharma, as amended by the Amended and Restated Share Purchase Agreement dated June 5, 2020 and further amended by the Second Amended and Restated Share Purchase Agreement and Settlement Agreement effective as of June 30, 2021, relating to the purchase of all issued and outstanding shares in the capital of EPG. See "*Share Purchase Agreements*" below.

On March 2, 2020, Inolife entered into a Memorandum of Agreement for a contemplated business combination with Debut Diamonds Inc. by way of a reverse take-over. The uncertainty surrounding the COVID-19 pandemic significantly delayed the transaction and was not completed before June 15, 2020. The agreement was terminated in accordance with its own terms.

On April 27, 2020 Inolife announced the execution of a letter of intent with Stendhal Pharmaceutical ("**Stendhal**") for the distribution of Inolife needle-free injectors, including the co-development and manufacturing of the devices to service Mexico, Central and South America. InsuJet™ does not have regulatory approval in Mexico at this time. In addition, the COVID-19 pandemic prompted a major shift of focus for Stendhal's current roster of products to PPE products that became paramount for all countries. As such, this engagement has been paused for the immediate future, however, Inolife intends to follow up on this opportunity after the Completion of the Transaction.

On May 12, 2020, Inolife announced the appointment of former President of Mexico, Mr. Vincente Fox Quesada to its advisory board as a strategic advisor and brand ambassador. Mr. Fox is the founder of Centro Fox, a non-profit foundation dedicated to serving communities in Mexico and Latin America.

On August 6, 2020, Inolife entered into a non-binding letter of intent with Buz, in connection with negotiating a transaction to effect a business combination of Buz and Inolife.

On October 1, 2020, Inolife entered into the definitive Business Combination Agreement with Buz. See "*The Proposed Qualifying Transaction*" below.

The Buz Meeting was held on March 10, 2021, at which the Buz Shareholders were asked to approve, among other things, the Name Change, the Buz Consolidation and the New Stock Option Plan.

The Inolife Meeting was held on March 19, 2021, at which the Inolife Shareholders were asked to approve, among other things, the Amalgamation and the Inolife Consolidation.

Technology Transfer Agreement and Assignment Agreement

On September 25, 2017, Inolife entered into an Assignment of Contract with 8687510 Canada Ltd, a special purpose acquisition company, for the assignment and transfer of all rights, titles and interests held by 8687510 with respect to a needle-free injector system (the "**Technology**") in exchange for 3,000,000 Inolife Shares at a deemed price of \$1.00 per share.

Professor Martin Brouillette and Université de Sherbrooke have developed and patented the "Needle-Free Injector" Technology and more particularly: (i) the needleless syringe for the delivery of therapeutic agents; (ii) the needleless syringe and method for delivering therapeutic particles; (iii) the mechanism for puncturing a gas cartridge; and (iv) the compositions comprising densified solid particles, methods and uses relating to same.

8687510 acquired all rights, titles and interests in and to the Technology pursuant to an Assignment Agreement dated March 31, 2017 with SOCPRA Sciences et Génie SEC, doing business as TransferTech Sherbrooke ("**TTS**"). TTS was first assigned the rights, titles and interests in the Technology as the limited partnership responsible for promoting and commercializing the inventions resulting from research work of the University and its affiliated research centers. The University also entered into various research and development contracts with other institutions, including Medicago and McGill University.

Pursuant to the Assignment of Contract and the terms and conditions of the Assignment Agreement, Inolife was assigned and has acquired the Technology on September 25, 2017 with an effective date as of March 31, 2017 (the "**Assignment Agreement Effective Date**") in consideration of and subject to the following terms and conditions:

- (a) a lump sum payment of fifty thousand dollars (\$50,000) to TTS within 90 days of the Assignment Agreement Effective Date;
- (b) a royalty payment of five percent (5%) of the sales earned following the Assignment Agreement Effective Date (the "**Royalty**"), whether or not a patent for the invention is issue, in whole or in part, as well as on any other sales made from the Technology, subject to the following minimum Royalty payments:
 - (i) At the first anniversary of the Assignment Agreement Effective Date the amount of fifty thousand dollars (\$50,000);
 - (ii) At the second anniversary of the Assignment Agreement Effective Date the amount of one hundred thousand dollars (\$100,000);
 - (iii) At the third anniversary of the Assignment Agreement Effective Date the amount of one hundred and fifty thousand dollars (\$150,000);
 - (iv) At the fourth and any further anniversary of the Assignment Agreement Effective Date the amount of two hundred and fifty thousand dollars (\$250,000); and
- (c) Inolife will also have the right, during the nine (9) years following the Assignment Agreement Effective Date, in other words on or before March 31, 2026, to pay TTS an amount of three million dollars (\$3,000,000) or an amount representing 10% of the sale of any asset related to the Technology, whichever is highest, in consideration of all and any further Royalties payments owed to TTS for the Technology, at which point Inolife will have no further obligations to TTS with respect to Royalties payments.

According to the terms of an amended and restated agreement dated November 5, 2020 (the "**TTS Agreement**"), Inolife and TTS have renegotiated the terms of the original agreement. The Royalty payment of \$150,000 plus applicable taxes due on March 31, 2020 will be paid by Inolife in cash and in shares by making a cash payment equal to 50% of the owed capital amount and 100% of the applicable taxes and interest on the debt due, and a payment of \$75,000 in Inolife Shares by the issuance of 187,500 Inolife Shares at a price of \$0.40 per Inolife Share on a post-

consolidated basis. Inolife and TTS further agree that any subsequent minimum annual Royalty payment of \$250,000 payable as of March 31, 2021 and for all subsequent years to be paid either in cash or Inolife Shares at the sole discretion of Inolife. Inolife may (subject to the requirements of the TSXV) pay these royalties by shares until it generates enough revenues to generate positive cash flow. An obvious advantage of the Technology and the use of a needle-less or needle-free delivery system, is the avoidance of physically-perforating the epidermis with a sharp needle probe (needles or "sharps"). The active substances in powder form can be biologics molecules, vaccines, a multitude of medicaments, hormones, and genetic compounds such as DNA and RNA. These agents, while in the form of particles whose size is of the order of a few microns, are capable of penetrating the skin of a patient. Due to the high velocity imparted upon them by a gas-powered ballistic process with subsequent particle flow of medicaments into and through the skin. The market opportunities in drug-device combination products that provide for:

- A high-value combination proprietary product;
- New preventative and therapeutic vaccines containing nano-particulates that act as vaccine immune adjuvants;
- Super-generics using off-patent drugs;
- Improved delivery of drugs with limited water solubility;
- Patent extension of soon-to-be off-patent drugs and biologics; and
- The ability to provide "mass vaccination" using a multi-dose vaccine delivery device.

Inolife's powder injectors, a single-dose and multi-dose device, is a needleless device for delivering therapeutic particles using a novel triggering mechanism and a gas reserve containing a source of pressurized gas, a reservoir at essentially atmospheric pressure and, a release valve. The gas reserve is mounted at an upstream end of the reservoir and, the release valve separates the pressurized gas source from the reservoir such that opening of the release valve allows the pressurized gas to fill the reservoir until the partition ruptures, accelerating the therapeutic particles towards the downstream end of the nozzle thus accelerating the particles toward a target surface at a velocity sufficient to enter the target surface. The novel dry powder, freeze-dry dual membrane technology is a proprietary process applied to the dry powder injector under development and owned by Inolife. Inolife intends to continue its research at the proof-of-concept stage. At this time, Inolife believes there is a possibility to advance this opportunity and if Inolife decides not to pursue Nanojex, the TTS Agreement between the parties can be terminated.

Share Purchase Agreements and Acquisition of EPG

In July 2019, Inolife entered into a Share Purchase Agreement with Care4Pharma to acquire EPG and its subsidiaries, a direct competitor of Inolife also active in the business of needle-free injection devices. This transaction closed on June 5, 2020. This strategic acquisition allows Inolife to accelerate the commercialization efforts of the needle-free injector systems technology acquired pursuant to the Technology Transfer and Assignment Agreements as described above.

Audited financial statements and management's discussion and analysis of EPG are attached to this Prospectus as Appendix "D".

EPG is an ISO 13485 certified medical device manufacturer specializing in the design, development, clinical investigations and manufacturing of needle-free devices for the administration and delivery of medicinal products. The InsuJet™ device is cleared to be sold in over 40 countries, including the European Union, United Kingdom, United Emirates, Brazil, Hong Kong and Taiwan.

Due Diligence Process

With respect to Inolife's acquisition of EPG completed in June 2020, as part of the due diligence process, Inolife established a comprehensive checklist of documents and records which were collected in a virtual data room. This data room is still available, and the records are still maintained.

As part of its due diligence, in 2019 Inolife team (including its board member Karen Dunlap) flew to Amsterdam to visit the EPG office and interview the EPG management. The EPG team also visited Canada. With respect to the due diligence on EPG Shenzhen, due to the Covid-19 impact, a video due diligence was conducted to examine the EPG Shenzhen facility, equipment and offices and to meet with the local team. To further support the remote bring-down due diligence process, several virtual meetings were held between Inolife and EPG Shenzhen.

Additionally, Inolife has relied on external audit reports from the Notified Body GMED, which audited EPG Shenzhen and its primary suppliers on an annual basis, with on-site audits of European auditors.

To comply with stringent regulations for medical device manufacturers, Inolife has established and retains very complete traceability about all of its assets including infrastructure, equipment, tools, inventory and materials. Furthermore, the implementation and maintenance of a quality management systems (QMS) ensures proper documented processes, records, internal controls, internal audits, management reviews, resource management, manufacturing processes, etc.

The Share Purchase Agreement

The Share Purchase Agreement was amended by the Amended and Restated Share Purchase Agreement dated June 5, 2020 and further amended by the Second Amended and Restated Share Purchase Agreement and Settlement Agreement effective as of June 30, 2021. Pursuant to the terms of the amendments, Inolife has agreed to the following terms and conditions:

1. The purchase of all (100%) issued and outstanding shares of EPG from Care4Pharma following which EPG will become a wholly-owned subsidiary of Inolife.
2. The consideration payable for the purchase of all issued and outstanding shares of EPG as follows:
 - (a) EUR €2,000,000 worth of RI Shares to be issued or transferred to Care4Pharma within ten (10) business days following the listing, at a pre-agreed post transaction price of EUR €0.60 per RI Share. In the event that in the twelve (12) months from the listing, the price of RI Shares does not reach EUR €0.60 per share, Inolife shall ensure that Care4Pharma receive such number of additional RI Shares as is necessary, based on the average share price in the previous six (6) months, to ensure that Care4Pharma has received a total of EUR €2,000,000 worth of RI Shares, provided that the number of additional RI Shares shall never exceed 666,667. For the avoidance of doubt, if the twelve (12) months price as from the listing is higher than EUR €0.60 per RI Share, no downwards adjustment shall be made;
 - (i) 10,000,000 Inolife Shares have been issued to Care4Pharma, which will result in 3,333,333 RI Shares on the basis of three (3) pre-consolidated Inolife Shares for one (1) post-consolidated RI Share.
 - (b) EUR €3,000,000 worth of RI Shares to be issued within ten (10) business days following the listing, at a pre-agreed post transaction price of EUR €0.90 per RI Share. In the event that in the twenty-four (24) months as from the listing, the price of RI Shares does not reach EUR €0.90 per RI Share, Inolife shall ensure that Care4Pharma receive such number of additional RI Shares as is necessary, based on the average share price in the previous six (6) months, to ensure that Care4Pharma has received a total of EUR €3,000,000 worth of RI Shares, provided that the number of additional RI Shares shall never exceed 1,000,000. For the avoidance of doubt: if the 3,333,333 RI Shares represent a value of more than EUR €3,000,000, no adjustment shall take place;

- (i) 10,000,000 Inolife Shares have been issued to Care4Pharma, which will result in 3,333,333 RI Shares on the basis of three (3) pre-consolidated Inolife Shares for one (1) post-consolidated RI Share.
- (c) EUR €1,200,000 in cash to be paid within twenty-eight (28) months after the listing;
- (d) The issuance of an unsecured convertible debenture in the aggregate principal amount of EUR €6,235,000 bearing nil interest, the principal amount of which is convertible, at the option of the holder (Care4Pharma), into Inolife Shares, at the conversion price (subject to adjustment in CAD at the prevailing EUR/CAD exchange rate at the time of listing) of CAD \$2.85 per RI Share (being CAD \$0.95 per Inolife Share X 3) for a period of five (5) years from the closing date of Inolife's first round of financing;

The aggregate principal amount includes: (i) the consideration in the amount of EUR €6,000,000 payable by Inolife to Care4Pharma for the acquisition of the EPG Shares; and (ii) the amount of EUR €235,000 representing parial amount of the Mosadex Debt payable by Inolife, which is the result of the funds spent or incurred by Care4Pharma or its affiliates to finance the operations of EPG relating to the period from March 1, 2020 to April 30, 2020.
- (e) It is agreed that the the balance of the Mosadex Debt is EUR €275,000 which represents funds incurred by Care4Pharma for the period through February 2020. This amount shall be paid by Inolife in cash without set off, compensation, withholding or anything similar, to Care4Pharma within twenty-eight (28) months after the listing.

EMERGING MARKETS DISCLOSURE

General

Inolife conducts business operations in China, which is considered to be an emerging market, that mainly focus on design, development, manufacturing, assembly, quality assurance, and testing through EPG Shenzhen, based in Shenzhen, China. Additionally, Inolife currently has agents or distributors in the Middle East and it intends to improve market penetration in the Middle East and expand into select emerging markets in the Middle East and Latin America.

As at the date of this Prospectus, Inolife does not generate any revenue from its operations in the Middle East. Although at the moment Inolife has no business operations in Latin America and has no significant business operations in the Middle East, Inolife will provide disclosure in accordance with OSC Staff Notice 51-720 – *Issuer Guide for Companies Operating in Emerging Markets* in its prospective continuous disclosure filings if the Latin American or Middle East (or any new emerging) markets become material to Inolife's operations in the future.

For more information see "*Inolife - Business of Inolife - Operations, Quality Control and Supply Chain*".

Business and Operating Environment

Shenzhen City is one of the four special economic zones in China established in August 1980, the earliest cities that opened up to foreign investment. Adjacent to Hong Kong and influenced by years of international investment and trade customs, Shenzhen's legal and regulatory environment, including court system, are quickly adapting to that of more advanced economies. In addition, Shenzhen City is part of the Guangdong-Hong Kong-Macao Greater Bay Area, a mega-plan in motion to integrate key cities in Guangdong Province with Macau and Hong Kong. GBA plan is to make the region becoming an important global center for advanced manufacturing and to focus on innovation, financial services, transport and logistics, trade, and tourism and leisure, all developed under highly market-oriented environment. Below is a link about overview of Shenzhen regional market on the website of Canadian Embassy in Beijing:
<https://www.tradecommissioner.gc.ca/china-chine/market-facts-faits-sur-le-marche/0003074.aspx?lang=eng>.

Where EPG Shenzhen locates, a specialty court called Qianhai FTZ Court was set up in 1988 within Shenzhen Intermediate Court, which was the first specialty court nationwide specializing on foreign investment related business disputes, including investment from Hong Kong, Macao and Taiwan. The presiding judges have lifelong responsibility for judgments issued.

The Chinese National Development and Reform Commission and the Ministry of Commerce publish regularly a "Negative List" to regulate foreign investment in China. Foreign investment has restricted access to certain industries and activities listed in the Negative List. The business and activities of EPG Shenzhen is not subject to the Negative List. No restrictions or conditions have been imposed on EPG Shenzhen by Chinese government or regulatory authorities.

China maintains a "closed" capital account, meaning companies, banks, and individuals can't move money in or out of the country except in accordance with strict rules. The People's Bank of China (PBOC) and State Administration of Foreign Exchange (SAFE) regulate the flow of foreign exchange in and out of the country and set exchange rates through a "managed float" system.

Any fund transfer (capital contribution, dividend distribution or commercial payment) must be justified and obtain the approval from the bank, which needs to record the proof to an official Foreign Exchange System.

The ownership and rights to property obtained in foreign countries are recognized in China. Personal and real properties are all protected under the Property Law of the People's Republic of China.

Inolife's relationship with the Chinese government and regulatory authorities is managed through its legal representative of EPG Shenzhen, and Inolife's COO Nicky Canton, with assistance from Inolife's local counsel and accounting firm in China, where necessary.

China Chops

In China, a "chop" is a stamp with the company name as it appears on its Business License. The chop is used by the company to stamp the documents it gives to third parties. In Hong Kong, there is no legal obligation to create, register or use chops, and the use of chops depends on the specific requirements of a contract being executed by the company; as such, an authorized signature prevails over the chop. Under the Chinese laws, each company is required to create and register the company's official chop after its establishment. The chop needs to be engraved by a qualified agency in China and registered in the local police department. Only the registered official chop has legal effect to bind the company.

EPG Shenzhen has a Company Chop, Legal Representative Chop, and Finance Chop (the "**Shenzhen Chops**"), which are essential to doing business in China, including entering into contracts, conducting banking activities and undertaking day-to-day business activities. The specified purposes of these chops are detailed below:

1. **Company Chop.** The Company Chop is required for the daily operations of EPG Shenzhen. It is required when any important document is signed or to provide legal authority when opening a bank account. All letters, official documents and contracts issued in the name of the company can use the Company Chop, which will legally bind the company. Under Chinese laws, the use of the Company Chop alone is sufficient to bind EPG Shenzhen for daily operations and for labor employment contracts.
2. **Legal Representative Chop.** The Legal Representative Chop is evidence of the legal representative's signature and may substitute the legal representative's actual signature. The Legal Representative Chop is required to validate financial operations at EPG Shenzhen's bank in China and for certain administrative filings (usually regarding the change of legal representative, monthly tax declaration, adjustment of tax declaration, declaration of foreign income/transfer, customs declaration and annual report).
3. **Finance Chop.** The Finance Chop is used for opening a bank account, issuing cheques, authenticating financial documents, such as tax filings and compliance documents, and for most bank-related transactions.

EPG Hong Kong has two Company Chops (the "**Hong Kong Chops**", and together with the Shenzhen Chops, the "**China Chops**"). The process for controls around the China Chops are documented respectively in the EPG Shenzhen Rule Book and EPG Hong Kong Rule Book, which set out the assignment for the responsibility, possession and authorization for the use of the China Chops.

In order to maintain the physical security of the Shenzhen Chops, the Company Chop and Legal Representative Chop are stored off-site with a third-party custodian. The EPG Shenzhen Finance Chop is kept in the EPG Shenzhen office in a security locker of the finance room which is accessible only by the legal representative. One of the Hong Kong Chops is stored in a safe under the supervision of Michael Wright in Canada, and the other Hong Kong Chop is stored off-site with a third-party custodian.

Pursuant to a custodian agreement between Inolife and its Chinese counsel, P.C. Woo & Zhonglun W.D. LLP, dated September 25, 2021, Inolife has appointed P.C. Woo & Zhonglun W.D. LLP (or its designated agent) as its custodian to hold and safeguard the Company Chop and Legal Representative Chop of EPG Shenzhen as well as the Company Chop 2 of EPG Hong Kong, and to affix such chops to purchase orders, contracts, agreements, constating documents or any other agreements pursuant to the directions from Inolife. Access to the Company Chops and the Legal Representative Chop are controlled by the custodian or its agent and the custodian agreement may only be amended by Inolife and the custodian.

Inolife has provided an undertaking to the Ontario Securities Commission that, for any of the China Chops that are not stored in Canada under the supervision of the CEO or a director of Inolife, it will retain P.C. Woo & Zhonglun W.D. LLP or an internationally reputable custodian with the responsibility for the safekeeping of the chop on substantially the same terms and conditions as disclosed in this Prospectus and, in the event that such custodian agreement is terminated or in the event that Inolife appoints a new custodian, Inolife will issue a press release forthwith and file a material change report in accordance with applicable securities laws.

EPG Shenzhen and EPG Hong Kong have not historically maintained logs to evidence use of each of the China Chops. However, Inolife started this practice upon Nicky Canton becoming the legal representative for EPG Shenzhen and a log will be maintained to evidence use of each chop of EPG Shenzhen and EPG Hong Kong.

Entity	Chop	Possession	Role
EPG Hong Kong	Company Chop 1	Michael Wright ⁽¹⁾	Director
	Company Chop 2	Third-Party Custodian ⁽²⁾	--
EPG Shenzhen	Company Chop	Third-Party Custodian ⁽²⁾	--
	Finance Chop	Nicky Canton ⁽³⁾	Inolife COO, Legal Representative, Executive Director and General Manager of EPG Shenzhen
	Legal Representative Chop	Third-Party Custodian ⁽²⁾	--

Notes:

- (1) This Company Chop is kept in a safe under the supervision of Michael Wright in Canada.
- (2) The third-party custodian is presently Inolife's Chinese counsel, P.C. Woo & Zhonglun W.D. LLP.
- (3) The EPG Shenzhen Finance Chop is kept in the EPG Shenzhen office in a security locker of the finance room which is accessible only by the legal representative.

To mitigate against the risk that Inolife may have difficulty terminating the legal representative of EPG Shenzhen, Mr. Canton has signed and affixed the Company Chop of EPG Shenzhen on an undated termination letter removing him as the Legal Representative and General Manager of EPG Shenzhen, which letter is being kept with Inolife's corporate records at Bennett Jones LLP's Toronto office. The termination letter contains a clause on assumption of liability and indemnification of EPG Shenzhen against any and all loss, liability or expense arising out of the use of the Company Chop, Legal Representative Chop, Finance Chop, etc. following the date of the termination letter.

Challenges and Risks of Operating in Emerging Markets

Inolife's business objectives involve the proposed expansion of its target market into emerging markets. Emerging markets have greater political and economic volatility and are far more susceptible to labour disruptions than established markets. This expansion presents challenges related to political, social and economic events that may affect the emerging countries' economic results, which could have been caused by many different factors, including fiscal deficits; adverse external economic factors; inconsistent fiscal and monetary policies; dependence on external financing; changes in governmental economic or tax policies; wage increases and price controls; high levels of inflation; abrupt changes in currency values; volatility of exchange rates and exchange controls; high interest rates; political and social tensions; fluctuations in expectations; trade shocks; and pandemics.

For more information see "*Resulting Issuer – Risk Factors*" and "*Inolife - Business of Inolife - Current Business Operations - Operations, Quality Control and Supply Chain*".

Language and Cultural Differences

Members of the Inolife Board and management team have experience in emerging markets in general, and in doing business and operating in certain emerging markets, including China. Their knowledge and expertise allow them to ascertain and manage the political, legal and cultural realities of China.

The working language for all office staff at EPG Shenzhen is English, and all company procedures and records are established and maintained in English. Contracts with all suppliers are all in English.

Inolife's local counsel and local accounting firm are all able to work bilingually in both English and Chinese. They are all independent have been very helpful for Inolife in overcoming language and cultural issues.

Board and Management Experience in Emerging Markets

Inolife's leadership includes international business leaders and industry professionals with expertise and experience working in various emerging markets, including China. Certain executives, employees and consultants of Inolife have at least a decade of experience in China, and a number of Inolife's personnel, employees and consultants are based in China and have extensive experience in carrying on business in China. Inolife's COO, Nicky Canton, has been in China for 11 years. In addition, Inolife has undertaken to the TSX Venture Exchange to retain a bilingual CPA as controller at EPG Shenzhen to be a supplement to the Canadian CFO within 6 months of the listing. For more information see "*Inolife - Business of Inolife - Operations, Quality Control and Supply Chain - Governance*".

Corporate Governance and Internal Controls

Inolife is the sole indirect shareholder of EPG Shenzhen.

The board of directors of Inolife hold meetings on a regular basis. Senior management of Inolife is engaged in all areas of EPG Shenzhen's business including sales, human resources, and marketing, as needed, while continuing to develop strategic projects for Inolife and EPG Shenzhen.

Due to the global COVID-19 pandemic Inolife's Board members and management were not able to make in-person visits to the operations in China since the acquisition of EPG in June 2020, and at this time Inolife is not able to predict when such event might occur. See "*Resulting Issuer – Risk Factors - Public health threats could have an adverse effect on our operations and financial results*".

Inolife will continue to rely on its in-country management team in connection with the permitting, licensing and regulatory approval application process, to ensure that Inolife and its subsidiaries have all required permits, business licenses, and other regulatory approvals needed to carry on business in China. Inolife and its management team also consults regularly with legal advisors in China to ensure that all required approvals have been obtained.

The minute books, corporate seals and corporate records of EPG Shenzhen are kept in a secure locker in the finance room in the office of EPG Shenzhen, only accessible by the legal representative unless specific permission is given to staff in writing by the legal representative.

Based on the foregoing and the disclosure elsewhere in this Prospectus, Inolife is of the view that any risks associated with its corporate structure are minimal and that such risks are effectively managed based on the controls described above and elsewhere in this Prospectus.

Governance

The Inolife Board has members who have significant experience with publicly listed companies both as public company officers and as members of boards of directors. Members also have significant experience in emerging markets in China, and the larger Asia Pacific region.

Inolife Board member Derek Lindsay has a vast experience with listed companies both as a public company CFO (of a global medical device company (Cryocath) with operations in Canada, Netherlands, and US) and as a member of boards of directors. He also has considerable experience in emerging markets such as China, where he was a board member of a regional Chinese cellular company (Yantai Cellular), CFO of Comcel Claro Cellular, Colombia's largest cellular provider, and in other regions such as India, Philippines, Colombia, Brazil, and Venezuela, where he had oversight responsibilities for the businesses in these countries as CFO of the parent companies.

The Inolife Board as a group has extensive public company experience with the TSX, NASDAQ and TSX Venture issuers. One member (Karen Dunlap) has extensive worldwide experience within the medical device injectable industry and as a former President, Corporate Director and COO of Sol-Millennium Medical. As such, she has an extensive expertise in dealing in China and other emerging markets.

Presently based in Amsterdam, the COO has lived in China for 11 years. He is currently in China since October 2020. He has a working understanding of Mandarin. Additionally, three of the team leaders (including the legal representative) in EPG Shenzhen are bilingual (English and Mandarin).

Operational Controls

Inolife's controls on the China operations are not just limited to the internal controls and the oversight of the COO. Our operations adhere to ISO 13485:2016, the global standard for medical device manufacturing companies. ISO 13485 is designed to be used by organizations involved in the design, production, installation and servicing of medical devices and related services. Our standard operating procedures are not only established and based on the requirements of ISO 13485:2016 but also the EU directive 93-42-EEC_MDD/European MDR 2017_745.

The Shenzhen operations are audited annually by the designated Notified Body GMED, to ensure compliance with the ISO 13485:2016 standard and for the maintenance of EPG's products' CE mark.

GMED is one of the few global Notified Bodies which has been accredited by national competent authorities to perform conformity assessment procedures to the European Regulation (EU) 2017/745 on medical devices and 93/42/EEC as amended by Directive 2007/47/EC- Medical Devices (MD). These are the applicable directives and regulations for CE Marking for Medical devices on the EU market.

Audits are conducted onsite by European staff from GMED over multiple days. The most recent audit was performed on July 30 – August 03, 2020. The 2020 GMED certification of EPG and EPG Shenzhen was satisfactory, with zero non-conformities, and demonstrated a high level of compliance to regulations and internal controls.

The InsuJet™ is assembled and tested at the EPG Shenzhen facility. The manufacturing of all the critical components is outsourced to certified medical device multinationals who a) are among the most reputable in the global medical device industry, b) specialize in these areas and c) have offices in or near Shenzhen as well as having other locations in the world.

A global contract manufacturing company headquartered in Germany is our contract manufacturer for molding of nozzle parts and assembly along with sterile packaging of nozzles and consumables. The company has been first approved as a primary supplier in 2011. It has production sites and locations in 15 countries spread across three continents.

A global contract manufacturing organization with its medical division headquartered in the USA is our contract manufacturer for molding of adaptor parts, and has been first approved as a primary supplier in 2011. The company is a global CMO / CDMO with 11 manufacturing operations and more than 1,500 associates worldwide. ISO 13485 certified quality systems and FDA registered sites are located throughout the Americas, Europe, and Asia.

Inolife and its wholly owned subsidiary EPG Shenzhen have intentionally partnered with these global contract manufacturing companies to ensure the high quality of our own products and support Inolife in the coming quarters as we grow our revenues and diversify our manufacturing operations into North America, Europe and other jurisdictions in order to be closer to our customers and mitigate logistics costs and risks.

Strong Compliance and Control Procedures in China Operations

Below is a summary of the strong and multi-layered compliance and control procedures used by Inolife's China operations to ensure high quality:

1. Quality Management System (QMS)

The QMS system is based on ISO 13485:2016 and is established and maintained to ensure the effectiveness of internal processes. It ensures the consistent design, development, production, and delivery of medical devices that are safe for their intended purpose.

2. Internal audits

As part of ISO compliance, EPG Shenzhen staff systematically audit the conformity of internal processes with regulatory requirements and internal procedures. Many staff have received external training so that they are qualified to perform internal audits.

3. External audits

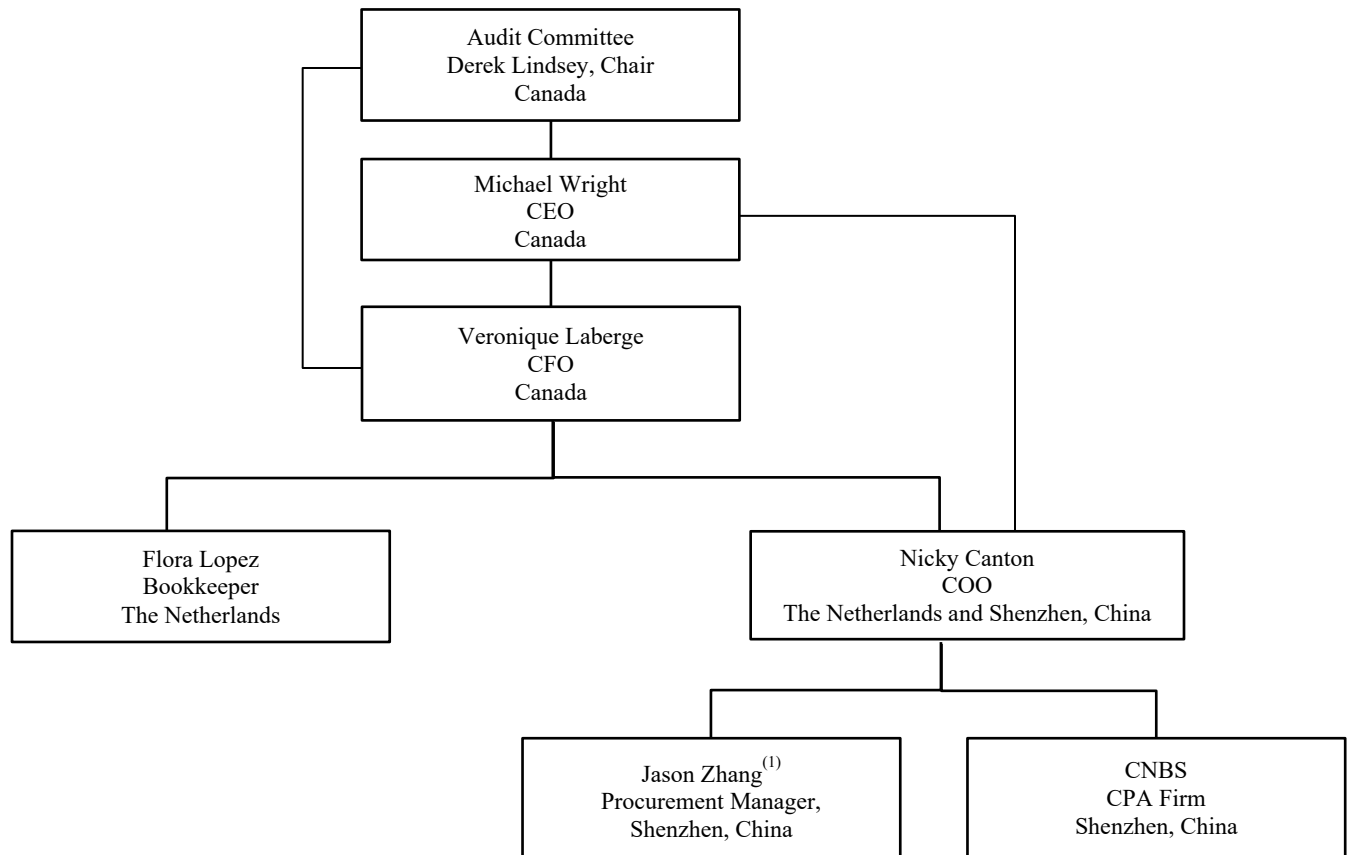
As discussed, an annual ISO audit is conducted by our CE Notified body, GMED, including several days of on-site audits and audits at primary suppliers. The audit is performed against ISO 13485:2016 and EU directive 93-42-EEC_MDD/Medical Device Regulation (EU) 2017/745.

4. Management monitoring and measurement

Processes are monitored against established KPIs and quality objectives on a quarterly basis. A monthly review is also done on the revenues, expenses and budget of the prior month.

Financial Controls

The chart below sets out the financial control system within Inolife:



Note:

- (1) Jason Zhang prepares monthly purchase and production budget. He is also in charge of requesting and tracking supplier payments but does not have any access to the bank account. He also gathers the monthly supplier invoices to be forwarded to CNBS for processing and General Ledger entries. Jason Zhang speaks Mandarin and English fluently.

Financial controls are wide-ranging, and all flow of funds are made by Inolife under the authority of both the CEO and CFO.

The signatory of the bank account in China will be the COO of Inolife.

The signatories of the bank account in the Netherland are the CEO of Inolife and the local bookkeeper (both signatures/authorizations are required).

All monies transferred to China are requested on a monthly budget request by Inolife COO and are then authorized and approved by the Canadian senior management. Once the payments request is approved by the CEO and the CFO, the COO execute them.

The money always flows from Inolife bank account (with authorizations required from both the CEO and the CFO) to EPG bank account, and then to EPG Shenzhen bank account. Majority of the payment are made to all employees and suppliers. When monthly payments are done, the CFO reconciles payments with bank statements and with payments approval by CEO.

China/EPG Shenzhen's accounting, taxes and bank monthly reconciliation are performed by a certified external accounting firm, China Business Support Group ("CNBS"). CNBS is responsible for preparing monthly financial statements and bank reconciliation of the China operations and makes these available to Inolife management monthly. CNBS also performs bookkeeping services for Inolife, which include: monthly G/L entries, monthly payroll tax calculations, and quarterly tax remittance. CNBS has been EPG Shenzhen's external accounting firm for more than 10 years.

Netherland's accounting, taxes and bank monthly reconciliation are performed by local bookkeeper, an EPG employee supervised by the CFO of Inolife. The CFO also has access to the accounting software. Financial reports and accounting documentation are placed on a shared network on a weekly basis.

The CFO is in contact on at least a weekly basis with Nicky Canton and Flora Lopez regarding suppliers, vendors invoices, payments, sales and any financial requirements. On a monthly basis, the CFO receives financial reports from Flora Lopez for EPG BV (Netherlands) and from CNBS for EPG SZ; Jason Zhang prepares the translation of these reports. The financial reports provided from both Netherlands and Shenzhen are in English. When the financial reports are sent from CNBS to the CFO, she is always copied even if the email is in Mandarin, and then Jason make sure to translate everything. The CFO have both communications in Mandarin and English and uses a translation software to make sure the translation is appropriate.

For each reporting period, the CFO reviews the general ledgers prepared by CNBS with the bank statements and invoices provided, discusses items as required, makes any adjustments and provisions if needed, and then signs off on the general ledger. The consolidated financial statements and adjustments are prepared by the CFO on a quarterly basis. For China, the CFO reviews the monthly statements and asks CNBS, the COO or the PM for additional information and questions, as needed. Regular video meetings are held between the CFO, CNBS, and the COO; translation services provided by Jason Zhang (or by another employee in EPG Shenzhen).

No sale of products is made by EPG Shenzhen. Therefore, no product revenue is recorded in China. All contracts involving Inolife and China are produced in both English and Mandarin.

Sales are made from the Netherlands entity, with the following controls in place:

1. Orders are received by mail, email or E-commerce platform (Shopify). The staff of EPG Shenzhen will verify order accuracy with its customers.
2. The terms for sales to distributors and end-customers as well as through e-commerce are reviewed by the sales manager.
3. Payment and credit terms are reviewed by sales manager.
4. The following individuals are responsible for product fulfillment:
 - (a) The production department works to fulfill production orders which are generated by procurement manager (PM) & document controller (DC). Production order details are documented in *FRM 7.5-1-04_Production Order Form* (PDO).
 - (b) Product Release, approved by COO and quality manager (QM)
 - (c) Product delivery information approved by PM and QM
 - (d) Sales dossier checklist by office manager, sales manager.
5. EPG has a revenue recognition policy (shipping terms, point of recognition, percentage based, etc.). Quarters-end sales are reviewed by Inolife management to avoid cut-off issues.

6. Aged listing of AR is reviewed by Inolife management on a monthly basis and ECL analysis is conducted to assess collectability on the AR accounts.

Purchases controls for both Chinese and Netherlands entities:

1. PM is responsible for ordering non-inventory goods, supplies or services. COO reviews and approves purchase orders.
2. The Inolife COO/CEO e-signs purchase orders (by adobe) and keep a copy in their NAS system.
3. PM approves and reviews the master suppliers list.
4. The requester for the purchase will inspect the items received. If the requester accepts the received items, then PM will keep the shipping documents for one month for reference if needed.
5. After requester accepts the received items, PM will inform supplier to send the invoice, and PM will fill out payment application form before submitting the form to COO to sign. COO authorizes payment for the goods received after he has checked the PO/payment application form/invoice and ensures no issue is noted.
6. Inolife has a pre-approved supplier list managed by the COO and revised regularly by the CEO.
7. CFO reviews the month end accruals and estimates.
8. An aged AP listing is reconciled to general ledger each month and examined by the CFO.

Payroll controls for both Chinese and Netherlands entities:

1. COO is responsible for hiring employees. Once an employee is hired, the labor contract and personal file will be sent to EPG and salary form will be sent to EPG on a monthly basis for review and approval.
2. There are a personnel file for each employee, which includes the employee diploma, physical check record, labor contract, termination agreement, ID, pension number, bank information, and office manager is responsible for updating and documenting this information.
3. Office manager summarizes the payroll data on the 20th of each month. The payroll data is sent to CNBS (accounting firm) for tax calculations. Upon finalization, payment will be arranged, and a detailed data list will be sent to each employee for their confirmation and signature. Before payment of the salaries are done, the list of employees and salaries are sent to the CEO and CFO for their approval.

Oversight of the External Auditor

Inolife has engaged MNP LLP, an external audit firm with experience in auditing Canadian public companies generally, as well as experience with public companies with operations in China. MNP has a China Services Team that has extensive experience in working with and auditing entities with China operations. The China Services Team was utilized for the 2020 Inolife audit for the EPG Shenzhen component. Normally members of the MNP China Services Team would be physically present at the China component, however, due to travel restrictions as a result of the COVID-19 pandemic, MNP retained one of its international Praxity affiliates (a firm ranked 11th of the top CPA firms in China by Chinese Institute of Certified Public Accountants based on 2018 revenue) to assist with specific procedures that required physical attendance. The MNP China Services Team has full capabilities in Mandarin.

All the audit working papers, including the working papers related to foreign subsidiaries, are contained in MNP's working paper files in Canada and would be fully available for auditor oversight by CPAB.

DIVIDENDS OR DISTRIBUTIONS

No dividends have been paid on the shares of Inolife since its incorporation and it is not contemplated that any dividends will be paid in the immediate or foreseeable future. There are no restrictions precluding Inolife from declaring dividends on the Inolife Shares. Inolife may from time to time declare dividends at the discretion of the Inolife Board when cash balances from Inolife's operations exceed cash required for the development of its business.

SELECTED FINANCIAL INFORMATION AND MD&A

Selected Financial Information

The following table presents selected financial information of Inolife in summary form for the periods indicated. The following financial information has been derived from and should be read in conjunction with the unaudited financial statements of Inolife for the periods ended June 30, 2020 and 2021 and audited financial statements of Inolife for the years ended December 31, 2019 and 2020 and the respective notes thereto set forth in Appendix "C" to this Prospectus.

	Six months ended June 30, 2021 (unaudited) (\$)	Year Ended December 31, 2020 (audited) (\$)	Year Ended December 31, 2019 (audited) (\$)
Total revenues	81,908	47,295	Nil
Income (loss) from continuing operations	(1,619,768)	(2,769,672)	(1,943,754)
Net income (loss)	(2,224,388)	(3,670,402)	(1,982,755)
Total assets	12,764,567	14,561,572	538,713
Total liabilities	15,242,479	15,253,822	1,247,650
Total Shareholder's Equity	\$(2,477,912) ⁽¹⁾	(692,250) ⁽²⁾	(708,937) ⁽³⁾
Cash dividends declared	Nil	Nil	Nil

Note:

- (1) See the unaudited financial statements of Inolife for the interim period ended June 30, 2021 in "Appendix "C" – Financial Statements and MD&A of Inolife R&D Inc."
- (2) See the audited financial statements of Inolife for the year ended December 31, 2020 in "Appendix "C" – Financial Statements and MD&A of Inolife R&D Inc."
- (3) See the audited financial statements of Inolife for the year ended December 31, 2019 in "Appendix "C" – Financial Statements and MD&A of Inolife R&D Inc."

Management's Discussion and Analysis

Management's discussion and analysis of the financial condition and results of operations of Inolife for the years ended December 31, 2019 and 2020 are attached to this Prospectus as Appendix "C". The management's discussion and analysis should be read in conjunction with the Inolife Financial Statements and the accompanying notes thereto attached to this Prospectus as Appendix "C".

Related Party Transactions

The following is a summary of a recent related party transaction between Inolife and Michael Wright.

N3GU Loan Agreement

On August 27, 2021 Inolife, as borrower, entered into a loan agreement (the "**N3GU Loan Agreement**") with N3GU Investments L.P. ("**N3GU LP**"), a limited partnership registered under the laws of the USA, as lender. Michael Wright,

the President, CEO and Director of Inolife and a proposed President, CEO and Director of the Resulting Issuer, is the Managing Partner of N3GU LP. Pursuant to the terms of the N3GU Loan Agreement, Inolife is indebted to N3GU LP in the principal amount of CAD\$50,000 (the "**N3GU Principal Amount**") (the "**N3GU Loan**") with a simple flat rate of interest of up to 20% as follows: (i) 10% interest paid upfront on disbursement of the N3GU Principal Amount; (ii) in the event Inolife repays the N3GU Principal Amount prior to twelve months, an additional flat rate of 5% interest for a total of 15%; and (iii) in the event Inolife repays the N3GU Principal Amount on the maturity date, an additional flat rate of 10% interest for a total of 20%. The term of the N3GU Loan is 18 months from the date of the N3GU Loan Agreement, but Inolife has a right to prepay the N3GU Principal Amount, on certain conditions, prior to the maturity date. The N3GU Loan is secured by movable hypothec on all of Inolife's assets.

Trends

Inolife operates in a business environment that is subject to numerous risks, some of which are within Inolife's ability to manage and some of which are beyond its control. By adhering to its effective business strategies, Inolife can manage those risks within its control and partially mitigate the risks that are associated with the industry.

DESCRIPTION OF SECURITIES

Inolife Shares

The authorized share capital of Inolife consists of an, unlimited number of Class A (Inolife Shares) and Class B shares with the following rights, privileges, restrictions and conditions:

With respect to the Class A shares (Inolife Shares), the holders of which are entitled:

- (a) to vote at all meetings of shareholders except meetings at which only holders of a specified class of shares are entitled to vote;
- (b) to receive the remaining property of Inolife upon dissolution; and
- (c) subject to the rights and privileges attaching to the Class B shares, to receive the dividends as and when declared by the board of directors of Inolife.

With respect to the Class B shares, the holders of which are entitled:

- (a) to a dividend as fixed by the board of directors;
- (b) upon the liquidation or winding-up of Inolife, to repayment of the amount paid for such share (plus any declared and unpaid dividends) in priority to the Class A shares, but they shall not confer a right to any further participation in profits or assets; and
- (c) holders of Class B shares shall not be entitled to vote at meetings of shareholders except as otherwise specifically provided in the CBCA.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of Inolife as at December 31, 2020 and as at the date of this Prospectus. The information as at December 31, 2020 is derived from the Inolife Financial Statements and the accompanying notes thereto attached to this Prospectus as Appendix "C".

Designation of Security	Amount Authorized	Amount Outstanding as at December 31, 2020 (audited) (\$)	Amount Outstanding as of the Date of this Prospectus (unaudited) (\$)
Inolife Shares	Unlimited	187,306,609	197,491,609 ⁽¹⁾
Inolife Options		1,860,000	750,000
Inolife Warrants		23,275,477	24,157,978
Inolife Convertible Securities		14,550,000	14,550,000
Retained Earnings (Deficit)		(8,704,308)	(10,290,924) ⁽²⁾

Note:

- (1) Prior to the completion of the Proposed Qualifying Transaction, Inolife will consolidate all of the issued and outstanding Inolife Shares on the basis of three (3) pre-consolidated common shares for one (1) post consolidated common share in the share capital of Inolife.
- (2) As of June 30, 2021.

OPTIONS TO PURCHASE SECURITIES

On January 15, 2018, Inolife Board adopted a "rolling" incentive stock option plan, which allows Inolife to grant options to its directors, officers, employees and consultants to purchase common shares in the capital of Inolife. The total aggregate number of common shares that may be reserved for issuance under the Inolife Stock Option Plan shall not exceed ten percent (10%) of the total issued and outstanding Inolife Shares.

As of the date of this Prospectus, Inolife has granted 750,000 Inolife Options to purchase Inolife Shares to officers, directors, employees, contractors and other eligible persons.

Holder of Inolife Options	Number of Options	Inolife Shares Underlying Options	Exercise Price	Expiry Date
Executive Officers and Former Executive Officers	Nil	Nil	Nil	Nil
Directors (other than those who are also Executive Officers) and Former Directors	Nil	Nil	Nil	Nil
Other Current and Former Employees	Nil	Nil	Nil	Nil
Consultants	Nil	Nil	Nil	Nil
Ronald Denis	250,000	-	\$0.90	October 31, 2021
Erik Martinoli	500,000	-	\$0.30	September 1, 2022

Prior to and pursuant to the terms of the Business Combination Agreement, Inolife will effect the Inolife Consolidation, which will result in the adjustment of the Inolife Convertible Securities and the exercise price thereof.

Pursuant to the Business Combination Agreement, the Inolife Convertible Securities will be canceled and replaced with an equal number of RI Convertible Securities.

PRIOR SALES

The following table sets forth the dates and the prices at which the securities of Inolife have been sold within the 12 months before the date of this Prospectus, including the number of securities of the class sold or to be sold at each price.

Date	Number of Securities	Issue Price per Security	Aggregate Issue Price	Nature of Consideration Received
September 14, 2020	9,750,000 shares	\$0.05	\$487,500	Services
September 17 – 25, 2020	335 Units ⁽¹⁾	\$0.10	\$335,000	Cash
October 26, 2020	25 Units ⁽¹⁾	\$0.10	\$25,000	Cash
November 17, 2020	1,925,000 shares	\$0.10	\$192,500	Cash
November 27, 2020	40 Units ⁽¹⁾	\$0.10	\$40,000	Cash
December 30, 2020	15,000,000 subscription receipts ⁽²⁾	\$0.40	\$6,000,000	Cash

Notes:

- (1) Units comprised of a 10% coupon \$1,000 Unsecured Convertible Debentures due on the date that is 36 months from the closing date.
- (2) Between February and September, 2021, eight investors decided to release their investments from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with Inolife. Thereby, 10,185,000 units were issued which comprise one common share and one-half warrant at an agreed price of \$0.13 per unit for gross proceeds of \$1,358,000. This corresponds to 3,395,000 units at \$0.40 included in the December 30, 2020 Private Placement because these shares were issued before Inolife Consolidation.

PRINCIPAL SECURITYHOLDERS

To the knowledge of management of Inolife, other than as set out below, no Persons own of record or beneficially, directly or indirectly, or exercise control or direction over more than 10% of any class of voting securities of Inolife as at the date of this Prospectus.

Name and Municipality of Residence	Type of Ownership	Number of Inolife Shares	Percentage
Care4Pharma B.V. Netherlands	common shares	20,000,000	10.13% ⁽¹⁾

Note:

- (1) On a fully diluted basis, Care4Pharma B.V. will own 9.37% of the Resulting Issuer. According to the second amended and restated share purchase agreement and settlement agreement between Care4Pharma and Inolife, contingent shares could be issued if the Resulting Issuer share price does not reach specific amount. Therefore, a total of 1,666,667 additional RI Shares could be issued in the next twenty-four months following the listing of the RI on the TSX Venture Exchange. If these additional shares are issued, Care4Pharma will own 9.50% of the undiluted basis shares and 10.94% on a fully diluted basis. See "*Inolife - Business of Inolife - Share Purchase Agreement and Acquisition of EPG*". If these additional RI Shares are issued to Care4Pharma B.V., these shares would be considered as escrowed securities.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets out, for each of the Corporation's directors and officers, the person's name, municipality of residence, positions with the Corporation, principal occupation and, if a director, the month and year in which the person became a director.

Name, Municipality of Residence and Position to be Held	Director/Officer Since	Principal Occupation for Past Five Years(1)	Number of Common Shares owned or controlled
Michael Wright Montreal, Quebec <i>President, CEO & Director</i>	2017	President and CEO of Inolife; Managing Partner of N3GU Investment LP	14,850,000 ⁽¹⁾
Veronique Laberge Laval, Québec <i>CFO</i>	2020	CFO at Dunton Rainville LLP; President and CPA Auditor at Laberge CPA	Nil
Nicky Canton Nijmegen, Netherlands <i>Chief Operating Officer</i>	2020	Director of Production and COO of EPG	Nil
John Leombruno Mississauga, Ontario <i>Director</i>	2018	Pharmacist, Cofounder of Specialty Pharmacies in Canada	15,857,143 ⁽²⁾
Derek Lindsay Montreal, Quebec <i>Director</i>	2021	Managing Partner, Sierra Financial Group	Nil
Karen Dunlap LaQinta, CA, USA <i>Director</i>	2019	Retired from her functions of President, Corporate Director and Chief Operating Officer of Sol-Millennium Medical, Inc.	150,000
William Cleman Côte-Saint-Luc, Quebec <i>Director</i>	2021	Management Consultant (Cleman Consulting Inc.)	Nil
Michael Wekerle Caledon, Ontario	2021	Chairman of Mogo Inc. (formerly Difference Capital Financial Inc.) and Chairman of Waterloo Innovation Network	3,375,000

Note:

- (1) Including 2,900,000 share held directly by Michael Wright, 10,950,000 shares held by N3GU Investments LP, a privately held company controlled by Michael Wright and 1,000,000 shares held directly by his Michael Wright's spouse, Annabelle Gauthier;
- (2) Shares held by 2134255 Ontario Inc., a privately held company controlled by John Leombruno

As of the date of this Prospectus, the directors and executive officers of Inolife as a group own 34,232,143 Inolife Shares, representing approximately 17.33% of the outstanding Inolife Shares on a non-diluted basis (excluding any Inolife Warrants or Inolife Options held by such directors and executive officers of Inolife).

Set forth below is a description of the background of the directors and officers of Inolife, including a description of each individual's principal occupation(s) within the past five years.

Michael Wright, Director, Age 55

Mr. Wright is an entrepreneur with over 20 years of experience as a corporate executive. Mr. Wright studied at Concordia University and continued along his progressive Executive MBA program at Harvard University specializing in launching new ventures, which, collectively, contribute to his managerial and intellectual force. With over 25 years' experience in the financial industry, Mr. Wright served many commercial industry leaders as well as traditional financial and institutional credit grantors. In addition, he was a Member of the Canadian Credit Institute and of the Credit Managers Association of Canada, his firm was licensed by the Consumer Protection Agency and the Access to Information Commission. Finally, Mr. Wright has strongly contributed to the Children's Wish Foundation

of Canada, where he has served as a volunteer for over 20 years, including 7 years as the Foundation's President and Chairman of the Board for which he was awarded the Queen Elizabeth II Diamond Jubilee Medal of honor.

Veronique Laberge, Age 38 – CFO

Mrs. Véronique Laberge began her career in an accounting firm in 2005. She then participated in various certification mandates for private companies. Mrs. Laberge then chose to pursue her career in a management position in the field of professional services, an experience that will allow her to acquire solid expertise in the business world. In 2018, Mrs. Laberge returned to professional practice as a self-employed practitioner. Specializing in certification mandates, general accounting and as a consultant for public and private companies, she wishes to support companies in their financial management. Also a chartered professional accountant and holder of the title of auditor, she now has more than 12 years of experience in professional practice.

Nicky Canton, Age 38 – Chief Operating Officer

Mr. Nicky Canton has a background in industrial design engineering as well as business administration with more than 10 years of experience in product manufacturing, development, and regulatory compliance of healthcare products, and more particularly, the needle-free injection systems. As a problem solver and a critical thinker with a combination of strong analytical and creative skills, Nicky is the Chief Production Officer responsible for R & D and manufacturing activities of EPG As such, Mr. Canton developed a background and acquired an expertise in product development, risk management and regulatory compliance, and supplier management including but not limited to, manufacturing processes, injection molding, assembly of medical devices, sterile packaging and sterilization. Throughout his career, Mr. Canton has filed and obtained a number of patents related to technology of needle-free injection systems in China, Europe and the United States and is therefore knowledgeable with the regulatory procedures to obtain intellectual proprietary rights.

Dr. John Leombruno, Director, Age 47

Dr. John Leombruno is a graduate of the University of Toronto Pharmacy Program and practiced several years as both a hospital and retail pharmacist. Dr. Leombruno then moved into the Pharmaceutical industry and held various roles of increasing responsibility, culminating in the position of Vice President, Medical Affairs. In 2007, Dr. Leombruno cofounded one of the first Specialty Pharmacies in Canada. The Specialty Pharmacy business grew to include a Patient Support Program division and a pharmaceutical importing and distribution business and was acquired by a multinational corporation. Dr. Leombruno has an excellent understanding of the regulations, marketing, distribution and sales of pharmaceuticals and medical devices.

Derek Lindsay, Director, Age 60

Derek Lindsay is a seasoned financial executive with extensive international experience. Mr. Lindsay has a proven track record raising equity/debt capital, and completing restructurings, acquisitions and buy-outs. He possesses a strong operational finance background, particularly in improved financial performance, cash management, reporting/budgets, and internal controls. Derek also excels in improving risk management and relations with investors and other key stakeholders. He has a solid record of achieving objectives through innovative thinking and an effective management style. He has experience in the life sciences, fintech, software (SaaS), telecom and media sectors. He is founder and managing partner of Sierra Financial Group, a consulting firm providing financial advice to high growth small and mid-sized companies. He has acted as CFO/CEO/CRO. He was CFO of two public SAAS software companies that were sold to private equity firms as well as a public medical device company sold to a health care multinational. He has been the CFO of 7 public companies on the TSX, NASDAQ, or TSXV. Derek also brings wide experience from various senior financial roles at Aeroplan, BCE, Imasco and CIBC Wood Gundy. Mr. Lindsay is a board member of Quetzal POS, a B2B SAAS company focused on specialty retail. As well, he was an investor and board member of select emerging software and telecom companies. Derek holds an MBA from the Tuck School at Dartmouth College (USA).

Karen Dunlap, Director, Age 74

Karen has retired from Sol-Millennium Medical, Inc., effective December 31, 2017, as Corporate Director, and President/COO. Sol-Millennium Medical was launched in North America through an acquisition of assets Karen had arranged from another syringe manufacture, which enabled Sol-Millennium to immediately go to market on the conclusion of this acquisition. In order to open other markets, Karen completed a Joint Venture in Brazil and immediately went to market and subsequently opened offices in the EU and UK. Karen's background specializes in start-up companies bringing new technology to market, working together with end-users, manufacturing, marketing and sales on developing and design of safe medication delivery systems to meet the demands of the market. Karen has extensive experience in both domestic and international health care management covering all facets of business, including product development, manufacturing, operations, P & L, sales, marketing and strategic planning for a number of emerging medical technology companies. Along the way, Karen has developed strong relations within Distribution worldwide including Pharma on the launch of new products and has extensive knowledge and experience of the medical technology market, both clinically, and meeting the demands of a global market.

William Cleman, Director, Age 71

Mr. William Cleman is an experienced operating and financial executive in the retail and real estate sectors. Mr. Cleman is a corporate director and consultant. He retired as Chairman and CEO of Bouclair Inc., a Montreal-based retail chain in the home furnishings sector, in 2003. Previously, Mr. Cleman had held senior positions at Bouclair since 1994. From 1989 to 1994, he was a partner in Cleman Ludmer Steinberg Inc., a merchant bank. From 1971 to 1989, Mr. Cleman had a successful career at Steinberg Inc., a major food retailer and real estate company. His title at the time of his departure in 1989 was Executive Vice President, Steinberg and Chairman and CEO of Ivanhoe Inc. He holds a bachelor of commerce degree from McGill University (1970) and a Masters of Business Administration degree from the University of Western Ontario (1972).

Michael Wekerle, Director, Age 57

Michael Wekerle is often referred to as a rock star in the world of Canadian finance, known for his shrewd value spotting in the fields of tech, biotech and media. He spent his early days as a Vice President of First Marathon Securities for over 10 years, following this tenure Michael was co-founder of GMP Securities and managing partner. As the founder and Chairman of the merchant bank Difference Capital Financial Inc., he oversaw a fund that includes such successful growth companies as Hootsuite, Vision Critical, BuildDirect and Blue Ant Media. Michael is currently the director and major investor at Mogo Finance Technology Inc. which acquired Difference Capital Financial Inc. He is also the owner and CEO of The El Mocambo in downtown Toronto, an entertainment venue, production facility, retail store, and the largest recording studio on the eastern seaboard, which he revived and renovated for the age of livestreaming. He is a major investor in CYA Live, an immersive social broadcast platform for shared real-time experiences. He is Chairman and CEO of Waterloo Innovation Network Inc and holds significant real estate assets, including an impressive portfolio of high-tech commercial properties in Waterloo, Ontario. He is a partner in the Canadian franchise of Wahlburgers – Paul, Donnie and Mark Wahlberg's Boston-based chain of restaurants. He was an investor on the Canadian reality show Dragon's Den for four years first appearing in the ninth season. Michael lives in Toronto and is a doting father to six children. He has donated millions of dollars to a wide variety of philanthropic interests, as well as the youth outreach organization Seeds of Hope and the acclaimed Baroque opera company Opera Atelier.

Other Reporting Issuer Experience

The following table sets out the directors and officers of Inolife that are, or have been within the last five years, directors and officers of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name	Name Of Reporting Issuer	Name of Exchange or Market	Position	From		To	
				MM	YY	MM	YY
Derek Lindsay	Geomega Resources Inc.	TSXV	CFO	01	2015	09	2016

Name	Name Of Reporting Issuer	Name of Exchange or Market	Position	From		To	
				MM	YY	MM	YY
	Lumiera Health Inc.	TSXV	VP, Corporate Development	05	2019	08	2019
	Mobi 724 Global Solutions Inc.	TSXV	CFO	11	2017	09	2018
William Cleman	Newlook Vision Group Inc.	TSX	Director, Member of Executive Committee	01	2004	Present	
	Hartco Inc.	TSX	Director, Head of Special Committee	01	07	July	2015
Michael Wekerle	Mogo Inc.	TSX, NASDAQ	Director, Former Executive Chairman	10	2012	Present	
	Mogo Finance Technology Inc.	TSX, NASDAQ	Insider, Control Person	11	2016	06	2019

Corporate Cease Trade Orders or Bankruptcy

As of the date of this Prospectus, none of the directors or insiders of Inolife, or a shareholder holding sufficient number of securities of Inolife to affect materially the control of Inolife is, or within 10 years before the date of this Prospectus, has been, a director or executive officer or insider of any other issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the other issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days; and/or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

As of the date of this Prospectus, none of the directors, officers or insiders of Inolife or a shareholder holding sufficient number of securities of Inolife to affect materially the control of Inolife is, or has been, subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcy

As of the date of this Prospectus, none of the directors, officers or insiders of Inolife or a shareholder holding sufficient number of securities of Inolife to affect materially the control of Inolife is, or within the ten years before the date of this Prospectus, has been declared bankrupt, made a proposal under any legislation relating to bankruptcy or

insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Conflicts of Interest

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

Except as disclosed in this Prospectus, to the best of the Inolife's knowledge, there are no known existing or potential conflicts of interest among Inolife and its promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management may from time to time serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of those other companies.

EXECUTIVE COMPENSATION

Compensation

Inolife is developing the compensation philosophy that will be in place following Completion of the Transaction. See – *"The Resulting Issuer – Executive Compensation"*.

Management Contracts

Other than the employment agreement with its COO, Nicky Canton, Inolife does not have any management contracts in place. The following are summaries of the employment agreement with Nicky Canton. The confidentiality, non-solicitation and non-competition obligations apply globally.

- Confidentiality Clause: During the employment and at all times subsequent to the termination of his employment, Mr. Canton covenants and agrees that except for the business purpose of the Corporation (as defined in the employment agreement), he shall not use, copy or reproduce any Confidential Information (defined in the employment agreement) or disclose, transmit or transfer any Confidential Information to any other person.
- Non-Solicitation Clause:
 - o Non-Solicitation of Suppliers: During the employment and for 12 months from the date of termination, Mr. Canton must not solicit or divert any of the suppliers of the Corporation with respect to the supplying of products or services competitive with those supplied to the Corporation.
 - o Non-Solicitation of Employees: During the employment and for 12 months from the date of termination, Mr. Canton agrees and undertakes not to solicit, encourage or induce any employee of the Corporation or who becomes an employee of the Corporation within a 6-month period immediately following Mr. Canton's termination of employment, to leave the employment of the Corporation.
 - o Non-Solicitation of Clients (existing and potential): During the employment and for 12 months from the date of termination, Mr. Canton agrees and undertakes not to solicit or divert any client or potential client of the Corporation, for the purpose of giving, selling or providing to any such client or potential client of the Corporation any products which are competitive or a substitute to the products offered by the Corporation.
- Non-Competition Clause: During the employment and for 12 months from the date of termination, Mr. Canton agrees and undertakes not to carry on, be engaged in, concerned with or interested in

any business activities which are the same as, competitive with, or a substitute to the business of the Corporation.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Prospectus, no director or officer of Inolife, or any Associate or Affiliate of any of them is indebted to Inolife, nor is any indebtedness of any such person the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Inolife.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management of Inolife is not aware of any legal proceedings, contemplated or actual, involving Inolife, which are likely to materially affect Inolife. As of the date hereof, all claims have been settled and neither Inolife nor any of its subsidiaries is currently party to any material legal proceeding which could be material to its business.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed below or otherwise disclosed in the section "*Inolife – Management's Discussion and Analysis*", the directors, officers, promoters and shareholders of Inolife and any Associates and Affiliates thereof have not had any direct or indirect material interest in any transaction or proposed transaction since the date of incorporation of Inolife to the date of this Prospectus.

AUDITOR, TRANSFER AGENT AND REGISTRAR

Inolife's auditors are MNP, LLP Chartered Professional Accountants, located at 1155, René-Lévesque Blvd. W, 23rd floor, Montreal, Quebec, H3B 2K2.

The Transfer Agent and Registrar is Computershare Investor Services Inc. at 100 University Ave., 8th Floor, Toronto, Ontario, M5J 2Y1.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts entered into by Inolife within the two years prior to the date of this Prospectus, which can reasonably be regarded as presently material to Inolife, are the following:

1. Share Purchase Agreement dated July 31, 2019, as amended on June 5, 2020, among Inolife and Care4Pharma relating to the purchase of all issued and outstanding shares of EPG;
2. Second Amended and Restated Share Purchase Agreement and Settlement Agreement effective as of June 30, 2021, between Inolife and Care4Pharma relating to the purchase of all issued and outstanding shares of EPG; and
3. Business Combination Agreement dated October 1, 2020 among Inolife and Buz in connection with the Transaction (see "*The Proposed Qualifying Transaction*").

Copies of all material contracts referred to in this Prospectus may be found on the Corporation's SEDAR profile at www.sedar.com.

RISK FACTORS

The business of Inolife, which will be the business of the Resulting Issuer, is subject to a number of risks. See "*The Resulting Issuer – Risk Factors*."

THE PROPOSED QUALIFYING TRANSACTION

Background to the Transaction

The terms of the Transaction are the result of arm's length negotiations between Buz and Inolife and their respective advisors in accordance with the CPC Policy.

In July 2020, Buz entered into discussions with Inolife regarding a possible business combination, which transaction would constitute Buz's Qualifying Transaction. Negotiations between Buz and Inolife continued until August 6, 2020, when Buz and Inolife executed a non-binding letter of intent (the "**Letter of Intent**"), followed by the publication of a press release on August 7, 2020. The transaction terms set out in the Letter of Intent were subject to the parties negotiating and entering into a business combination agreement on or before September 30, 2020 or such other date as the parties may agree to.

Buz and Inolife engaged in preliminary discussions regarding the transaction and commenced the preparation of the definitive Business Combination Agreement and the terms of the agreement were negotiated through the months of August and September. On September 30, 2020, the parties agreed to postpone the execution of the Business Combination Agreement by one (1) day.

Following board approval, Buz and Inolife executed the Business Combination Agreement on October 1, 2020, whereby Buz has agreed to acquire all of the Inolife Securities which will be outstanding immediately prior to Completion of the Transaction by way of a three-cornered amalgamation under the provisions of the CBCA whereby Inolife will amalgamate with Newco to form Amalco, a wholly owned subsidiary of Buz.

In accordance with the terms of the Amalgamation Agreement, on the Effective Date, Buz will issue the Buz Consideration Shares to the former Inolife Shareholders, on the basis of one (1) Buz Consideration Share for each one (1) Inolife Share held (the "Exchange Ratio") upon Completion of the Transaction. Each such Buz Consideration Share, after giving effect to the business combination, is herein called a "RI Share". For greater certainty, the Exchange Ratio will apply after giving effect to the Buz Consolidation and the Inolife Consolidation.

Buz issued a public news release on October 2, 2020 announcing the parties have entered into the Business Combination Agreement. Contemporaneous with the negotiations with Buz, Inolife held discussions with the Agent and legal counsels to discuss certain financing matters with respect to the Bridge Financing and the Private Placement.

Details of the Transaction

The Amalgamation will become effective at the Effective Time. It is currently anticipated that the Effective Date for the Amalgamation will be on or before September 30, 2021.

Following the completion of the Private Placement, the Buz Consolidation and the Inolife Consolidation, Buz will acquire all of the 77,435,536 Inolife Shares which will be issued and outstanding immediately prior to Completion of the Transaction from the Inolife Shareholders, on a one-for-one exchange basis, in exchange for the issuance of an equal number of RI Shares. Such number of Inolife Shares shall include, immediately prior to Completion of the Transaction, 65,830,536 Inolife Shares following Inolife Consolidation and 11,605,000 Inolife Shares to be issued to holders of Inolife Sub-Receipts pursuant to the Private Placement, but excluding the payment of commission to the Agent by the issuance of Inolife PP Units or the exercise of the over-allotment option.

It is anticipated that immediately following Closing (assuming there are no changes resulting from the conversion of the existing convertible securities of Buz or to the outstanding Buz Shares), an aggregate of approximately 86,008,641 RI Shares will be issued and outstanding on an undiluted basis, of which it is anticipated that 81,133,641 RI Shares will be held by Former Inolife Shareholders (representing approximately 94.33% of the RI Shares), and approximately 4,875,000 RI Shares will be held by existing Buz Shareholders (representing approximately 5.67% of the RI Shares).

It is further anticipated that an aggregate of 20,622,267 RI Shares will be reserved for issuance upon exercise of the outstanding convertible securities immediately upon Closing as follows: (i) 20,172,267 RI Shares reserved for

issuance to former holders of Inolife Convertible Securities; and (ii) 450,000 RI Shares reserved for issuance to former holders of Buz Options. See *"The Resulting Issuer - Pro Forma Consolidated Capitalization of the Resulting Issuer"*.

The number of RI Shares does not include 1,666,667 RI Shares that may be issued to Care4Pharma pursuant to a price adjustment clause in the Second Amended and Restated Share Purchase Agreement and Settlement Agreement. See *"Inolife – Business of Inolife – Share Purchase Agreements and Acquisition of EPG"*. Any adjustment in the number of RI Shares (either currently issued or to be issued in the future) would be based upon the requirements of the TSXV. If these 1,666,667 RI Shares are issued to Care4Pharma, these will be considered as escrowed securities.

The Transaction values the Buz Shares at \$0.40 per Buz Share for aggregate share consideration issuable to former Inolife Shareholders of approximately \$41,443,944 after giving effect to the Private Placements for gross proceeds of \$6,000,000.

Issue of the Buz Consideration Shares

The Transaction is not a Non-Arm's Length Qualifying Transaction, pursuant to the CPC Policy. In particular, there is no party, including Associates or Affiliates of any party, to the Transaction that is a Control Person in both Buz and Inolife.

The distribution of the Buz Consideration Shares pursuant to the Business Combination Agreement will constitute a distribution of securities which is exempt from the prospectus requirements of applicable Canadian securities laws. The Buz Consideration Shares may be resold in each of the provinces of Canada provided the trade is not a "control distribution" as defined in National Instrument 45-102 – Resale of Securities of the Canadian Securities Administrators, no unusual effort is made to prepare the market or create a demand for those securities, no extraordinary commission or consideration is paid in respect of that sale and, if the selling securityholder is an Insider or officer of Buz, the Insider or officer has no reasonable grounds to believe that Buz is in default of securities Laws.

Business Combination Agreement

This section and any other description in this Prospectus of the Business Combination Agreement or the Amalgamation Agreement is a summary only and is qualified in its entirety by reference to the full text of the Business Combination Agreement, which is filed under Buz's profile on SEDAR at www.sedar.com

Pursuant to terms and conditions of the Business Combination Agreement, Inolife and Buz have agreed to combine the business and assets of Inolife with those of Buz by way of a three-cornered amalgamation under the provisions of the CBCA (as described below) whereby Inolife will amalgamate with Newco to form Amalco, a wholly owned subsidiary of Buz.

The combination of their respective businesses and assets is subject to the Buz Consolidation, the Inolife Consolidation, the Name Change and the Private Placement. Upon Completion of the Transaction, Buz will become the Resulting Issuer, an emerging specialty medical device company focused on developing and commercializing novel drug delivery technologies in the form of needle-free injection systems.

The following is a general description of certain other material terms and conditions of the Business Combination Agreement

1. Inolife and Buz shall use commercially reasonable efforts to jointly prepare the Prospectus and shall use all commercially reasonable efforts to file the final Prospectus no later than September 30, 2021.
2. Inolife shall duly prepare documentation required in connection with the Inolife Meeting, and deliver such documentation to Inolife Shareholders.
3. Buz shall duly prepare documentation required in connection with the Buz Meeting, and deliver such documentation to Buz Shareholders.

4. Buz shall use all commercially reasonable efforts to have the issuance of all the RI Shares, including those issuable upon exercise of the RI Convertible Securities, accepted by the TSXV.
5. Inolife and Buz shall cooperate in the preparation of any documents and taking of all actions reasonably deemed by Inolife or Buz to be necessary to discharge their respective obligations under applicable Laws in connection with the business combination and all other matters contemplated in the Documents, and in connection with the consummation of the business combination.
6. Newco shall, subject to the terms and conditions of the Business Combination Agreement and subject to and following the receipt of all Regulatory Approvals, deliver to Inolife the duly executed Articles of Amalgamation and related documents which will be filed by Inolife with the Director.
7. On the Effective Date, the Inolife Shareholders (other than Dissenting Shareholders who are ultimately entitled to be paid fair value for their Dissenting Inolife Shares) shall be deemed to be the registered holders of the RI Shares to which they are entitled hereunder;
8. As soon as reasonably practicable after the Effective Date, the Depositary will forward to, or hold for pick-up by, each former Inolife Shareholder (i) the certificates representing the RI Shares to which such Inolife Shareholder is entitled, or (ii) confirmation of a non-certificated electronic position transfer in CDS representing the RI Shares to which such Inolife Shareholder is entitled.
9. Buz, as the registered holder of the Newco Shares, shall be deemed to be the registered holder of the Amalco Shares to which it is entitled hereunder and Buz shall be entitled to receive a share certificate representing the number of Amalco Shares to which it is entitled hereunder.

Mutual Condition Precedent

Completion of the Amalgamation and the transactions contemplated by the Business Combination Agreement are subject to the satisfaction, on or before the Effective Date, of the following conditions precedent, each of which may be waived only by the mutual consent of the Parties:

1. the Resulting Issuer, upon completion of the business combination, shall meet the minimum original listing requirements of the TSXV and the business combination shall have been approved and accepted as Buz's "Qualifying Transaction" in accordance with the requirements of the TSXV;
2. there shall not be in force any order or decree restraining or enjoining the consummation of the business combination;
3. the Certificate of Amendment shall have been issued by the Director giving effect to the Buz Consolidation;
4. the Business Combination Agreement shall not have been terminated in accordance with its own terms;
5. all Regulatory Approvals and corporate approvals shall have been obtained;
6. each Party shall not have entered into any transaction or contract which would have a material effect on the financial and operational condition, or the assets of each Party;
7. the requisite approval of Inolife Shareholders of the Amalgamation shall have been obtained;
8. the requisite approval of Buz Shareholders for the Buz Consolidation, Buz Director Appointments and the Name Change of the Issuer shall have been obtained;
9. the Private Placement shall have been completed for minimum gross proceeds of \$4 million; and

10. satisfactory completion of a due diligence review of Inolife by Buz, acting reasonably and in good faith in connection with all matters relating to the business combination.

Inolife Conditions Precedent

The obligation of Inolife to complete the Transaction is subject to the fulfillment of the following additional conditions, each of which is for the exclusive benefit of Inolife, at or before the Effective Time or such other time as is specified below:

1. on or prior to the Effective Date, and effective upon completion of the Amalgamation, each of the directors and officers of Buz shall have tendered their resignations and provided releases in a form acceptable to Inolife and the Board of Buz, subject to the approval of the TSXV, shall have been reconstituted to consist of the nominees of Inolife;
2. no material change with respect to Buz shall have occurred between October 2, 2020 and the Effective Date;
3. Buz shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under the Business Combination Agreement, and all representations and warranties of Buz contained in the Business Combination Agreement shall have been true and correct in all material respects as of the date thereof and shall not have ceased to be true and correct in any material respect thereafter;
4. Buz Board shall have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by Buz to permit the consummation of the business combination and the transactions contemplated therewith; and
5. Inolife shall have received from counsel to Buz favourable legal opinions concerning such matters with respect to the business combination as are customary in similar transactions and as Inolife and its counsel may reasonably request.

Buz Conditions Precedent

The obligation of Buz to complete the Transaction is subject to the fulfillment of the following additional conditions, each of which is for the exclusive benefit of Buz, at or before the Effective Time or such other time as is specified below:

1. no material change with respect to Inolife or the Inolife Subsidiaries taken as a whole shall have occurred between October 2, 2020 and the Effective Date;
2. Inolife shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under the Business Combination Agreement, and all representations and warranties of Inolife contained in the Business Combination Agreement shall have been true and correct in all material respects as of the date thereof and shall not have ceased to be true and correct in any material respect thereafter;
3. the board and the Inolife Shareholders shall have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by Inolife to permit the consummation of the business combination and the transactions contemplated therewith;
4. the number of Inolife Shares in respect of which Inolife Shareholders have dissented in connection with the resolutions authorizing the Amalgamation shall not exceed 5% of the number of issued and outstanding Inolife Shares;
5. Buz shall have received from counsel to Inolife favourable legal opinions concerning such matters with respect to the business combination as are customary in similar transactions and as Buz and its counsel may reasonably request, including with respect to the corporate existence and ownership of the Inolife Subsidiaries; and

6. satisfactory completion of a due diligence review of Inolife by Buz, acting reasonably and in good faith in connection with all matters relating to the business combination contemplated herein.

Termination of the Business Combination Agreement

The Business Combination Agreement may be terminated at any time prior to the Effective Time:

1. by mutual agreement by Buz and Inolife;
2. upon notice by either Inolife or Buz to the other, and subject to cure provisions, if any condition for the benefit of the terminating party is not satisfied or waived; or
3. if the Effective Date has not occurred by September 30, 2021 or such later as may be mutually agreed between the parties in writing.

Amalgamation

Buz will acquire all of the issued and outstanding Inolife Shares by way of a three-cornered amalgamation of Inolife and Newco under the provisions of the CBCA pursuant to the terms of the Business Combination Agreement and the Amalgamation Agreement. A copy of the Business Combination Agreement along with the Amalgamation Agreement has also been filed on SEDAR under Buz's profile. The following are the principal steps for the Completion of the Transaction:

1. Inolife shall duly call and convene the Inolife Meeting at which the Inolife Shareholders will be asked to approve the Amalgamation described in the Business Combination Agreement and the Amalgamation Agreement (together, the "**Documents**"), the Inolife Consolidation, and Inolife shall use all commercially reasonable efforts to obtain the approval of the Inolife Shareholders for the foregoing matters. The approval of Inolife Shareholders has been obtained;
2. Buz shall duly call and convene the Buz Meeting at which Buz Shareholders will be asked to approve the Buz Consolidation, Buz Director Appointments and the Name Change described in the Documents, and Buz shall use all commercially reasonable efforts to obtain the approval of Buz Shareholders for the foregoing matters. The approval of Buz Shareholders has been obtained;
3. Inolife shall use commercially reasonable efforts to complete the Private Placement and the Bridge Financing. The Private Placement and the Bridge Financing have been completed;
4. Buz shall cause Newco to be incorporated as wholly-owned subsidiary of Buz on terms acceptable to Inolife;
5. Following the receipt of shareholder approvals at the Inolife Meeting and the Buz Meeting and the completion of the Private Placement, and immediately prior to the filing of the Articles of Amalgamation, Buz shall file articles of amendment to effect the Buz Consolidation, following which Buz will have 4,875,000 Buz Shares issued and outstanding, as well as the 450,000 Buz Options which will then be exercisable to acquire 450,000 Buz Shares at a price of \$0.20 per share. No fractional post-consolidated Buz Shares will be delivered to any Issuer Shareholder otherwise entitled thereto and instead the number of post-consolidated Buz Shares to be issued to each former Issuer Shareholder will be rounded down to the nearest whole number;
6. Inolife and Newco shall amalgamate by way of statutory amalgamation under Section 181 of the CBCA on the terms and subject to the conditions contained in the Documents and Inolife and Buz further agree that the Effective Date shall occur within five (5) business days following the later of: (i) the receipt of shareholder approval by the Inolife Shareholders of the special business at the Inolife Meeting; (ii) the receipt of shareholder approval by Buz Shareholders of the special business at the Buz Meeting; (iii) the completion of the Private Placement; and (iv) the satisfaction of all conditions imposed by the TSXV or any other regulatory requirements, provided that the Effective Date shall occur no earlier than seven (7) business days after the Prospectus is filed on SEDAR;

7. The Parties shall cause the Articles of Amalgamation to be filed to effect the Amalgamation, pursuant to which:
 - (a) Inolife and Newco will amalgamate under the provisions of the CBCA and continue as one amalgamated corporation, being Amalco;
 - (i) Subject to the terms of the Business Combination Agreement, holders of outstanding post-consolidated Inolife Shares shall receive one (1) post-consolidated Buz Shares for each post-consolidated Inolife Share held, and each such Buz Share, after giving effect to the completion of the business combination, will be called a RI Share;
 - (ii) Each outstanding Newco Share will be exchanged for one (1) fully paid Amalco Share;
 - (iii) As consideration for the issuance of the Buz Consideration Shares to effect the Amalgamation, Amalco will issue to Buz one (1) fully paid Amalco Share for each post-consolidated Issuer Share so issued;
 - (iv) All of the property and assets of each of Inolife and Newco will be the property and assets of Amalco and Amalco will be liable for all of the liabilities and obligations of each of Inolife and Newco; and
 - (v) Amalco will be a wholly-owned Subsidiary of Issuer;
8. in accordance with the CBCA provisions applicable to Dissenting Shareholders, Inolife Shares which are held by a Dissenting Shareholder shall not be converted as described under paragraph (h) above. However, if a Dissenting Shareholder fails to perfect or effectively withdraws its claim under Section 190 of the CBCA or forfeits its right to make a claim under Section 190 of the CBCA or if its rights as a shareholder of Inolife are otherwise reinstated, such Dissenting Shareholder's Inolife Shares shall thereupon be deemed to have been converted as of the Effective Date as described under paragraph (h) above.
9. concurrently with the Amalgamation, Buz, as the Resulting Issuer, shall issue the RI Options, RI Convertible Debentures and RI Warrants to the holders of the Inolife Options, Inolife Convertible Debentures and Inolife Warrants, respectively, in exchange and replacement for such Inolife Convertible Securities, which shall thereby be cancelled;
10. immediately following the filing of the Articles of Amalgamation to effect the Amalgamation, Buz will: (i) reconstitute its board of directors to give effect to Buz Director Appointments, and (ii) file articles of amendment to give effect to the Name Change;
11. as soon as practicable after the Effective Date, in accordance with normal commercial practice and section 2.2(7) of the Business Combination Agreement, the Resulting Issuer shall issue or cause to be issued certificates or electronic positions within CDS representing the appropriate number of the RI Shares to the former Inolife Shareholders. No fractional RI Shares will be delivered to any Inolife Shareholder otherwise entitled thereto and instead the number of RI Shares to be issued to each former Inolife Shareholder will be rounded down to the nearest whole number;
12. the Parties acknowledge that the TSXV will require some or all of the RI Shares issued pursuant to the business combination to be held in escrow and Inolife agrees to comply and use its reasonable efforts to cause Inolife Shareholders to comply with all such escrow requirements of the TSXV including the execution and delivery of the TSXV Escrow Agreement;
13. upon completion of the business combination, Inolife agrees to pay the Introductory Fee; and
14. the Parties shall take any other action and do anything, including the execution of any other agreements, documents or instruments, that are necessary or useful to give effect to the business combination.

Effect of the Transaction

The Amalgamation will become effective at the Effective Time. It is currently anticipated that the Effective Date for the Amalgamation will be on or before September 30, 2021.

Following the completion of the Private Placement, the Buz Consolidation and the Inolife Consolidation, Buz intends to acquire all of the 77,435,536 Inolife Shares which will be issued and outstanding immediately prior to Completion of the Transaction from the Inolife Shareholders, on a one-for-one exchange basis, in exchange for the issuance of an equal number of RI Shares. Such number of Inolife Shares shall include the 65,830,536 Inolife Shares following the Inolife Consolidation and the 11,605,000 Inolife Shares to be issued pursuant to the Private Placement immediately prior to Completion of the Transaction but excluding the commission payable in Units, at the option of the Agent.

In addition, the 450,000 Buz Options outstanding immediately prior to Completion of the Transaction will be exchanged for an equal number of RI Options on a one-for-one exchange basis. Each Resulting Issuer Option will be issued by Buz on substantially the same terms as the Buz Options it replaces.

In addition, the 13,855,159 Inolife Warrants outstanding immediately prior to Completion of the Transaction will be exchanged for an equal number of Resulting Issuer Warrants on a one-for-one exchange basis. Such number of Inolife Warrants shall include the 8,052,659 Inolife Warrants and the 5,802,500 Inolife PP Warrants but excluding the 1,200,000 Agent's Warrants issued pursuant to the Private Placement. Each Resulting Issuer Warrant will be issued by Buz on substantially the same terms as the Inolife Warrants and the Agent's Warrants it replaces. In addition, the 250,000 Inolife Options outstanding immediately prior to Completion of the Transaction will be exchanged for an equal number of Resulting Issuer Options on a one-for-one exchange basis. Each Resulting Issuer Option will be issued by Buz on substantially the same terms as the Inolife Options. In addition, the 1,516,667 Inolife Shares issuable upon exercise of convertible debentures issued pursuant to the Bridge Financing outstanding immediately prior to Completion of the Transaction will be exchanged for an equal number of RI Shares on a one-for-one exchange basis. In addition, the 187,500 Inolife Shares issuable pursuant to debt settlements of Inolife immediately prior to Completion of the Transaction will be exchanged for an equal number of RI Shares on a one-for-one exchange basis.

As a result of the Amalgamation and upon Closing, it is expected that current holders of Inolife Shares (excluding future shareholders as a result of the Private Placement) will hold, on an undiluted basis, approximately 65,830,536 RI Shares, which represents ownership of approximately 76% of the Resulting Issuer and the current holders of Buz Shares will hold approximately 4,875,000 RI Shares, representing ownership of approximately 5% of the Resulting Issuer.

On a fully diluted basis and taking into account the RI Shares to be issued upon exercise in full of the RI Convertible Securities, current holders of Inolife Shares (excluding future shareholders as a result of the Private Placement) will hold, approximately 78,119,862 RI Shares, which represents ownership of approximately 73% of the Resulting Issuer and the current holders of Buz Shares will hold approximately 5,325,000 RI Shares, representing ownership of approximately 5% of the Resulting Issuer.

As a result of the Transaction, an aggregate of 20,622,267 RI Shares will be reserved for issuance to former holders of Buz and Inolife convertible securities as follows: (i) 20,172,267 RI Shares reserved for issuance to former holders of Inolife Warrants, Inolife Convertible Debentures, Inolife Options; and (ii) 450,000 RI Shares reserved for issuance to former holders of Buz Options.

Resulting Issuer

Upon Completion of the Transaction and subject to the approval of the Exchange, the Resulting Issuer will become a Tier 2 Life Sciences Issuer on the Exchange.

The Resulting Issuer will be named "NuGen Medical Devices Inc." or such other similar name as may be accepted by the relevant regulatory authorities and approved by the board of directors of the Resulting Issuer, and will carry on the business of Inolife. See "*Inolife – Business of Inolife*".

At Closing, and subject to approval by the TSXV, the current directors of Buz will resign and will be replaced by nominees of Inolife. The board of directors of the Resulting Issuer is expected to consist of six directors being Michael Wright, Derek Lindsay, Karen Dunlap, John Leombruno, Michael Wekerle, and William Cleman. Senior management of the Resulting Issuer is expected to consist of Michael Wright – President and CEO, Nicky Canton – COO, and Véronique Laberge – CFO and Corporate Secretary. See "The Resulting Issuer – Directors and Executive Officers".

Private Placement

Inolife has entered into an Engagement Letter with the Agent, to sell, on a commercially reasonable efforts basis, the offering of up to 10,000,000 Inolife Sub-Receipts at a price of \$0.40 per Inolife Sub-Receipt for aggregate gross proceeds of \$4,000,000 in connection with the proposed Transaction. The Agent shall also have the option, exercisable at any time prior to closing, to increase the size of the Private Placement offering by up to \$2,000,000.

The Private Placement was completed on December 30, 2020 and Inolife issued 15,000,000 Inolife Sub-Receipts for gross proceeds of \$6,000,000 including proceeds of \$2,000,000 from the exercise of the overallotment option by the Agent. The Agent is entitled to receive a commission valued at \$480,000, representing 8% of the aggregate proceeds of \$6,000,000 from the Private Placement. The Agent has elected to receive a cash payment of \$395,519 (\$150,726 has already been paid to the Agent from the escrow funds) and a payment equal to \$84,481 by the issuance of 211,202 Inolife Sub-Receipts. In addition, the Agent has also received 1,200,000 broker warrants equal to 8% of the Inolife Sub-Receipts sold under the Private Placement offering.

Each Inolife Sub-Receipt is automatically convertible into one (1) Inolife PP Unit without any further action by the holder thereof and for no additional consideration. Each PP Unit is comprised of one Inolife Share and one-half (1/2) Inolife PP Warrant. Each Inolife PP Warrant is exercisable into one (1) Inolife Share at an exercise price of \$0.70 per share for 12 months following satisfaction of the Escrow Release Conditions (as defined hereinafter). The following Escrow Release Conditions must be satisfied on or prior to the Escrow Release Deadline:

- (a) the satisfaction or waiver of all conditions precedent to the completion of the proposed Transaction, to the satisfaction of the Agent, acting reasonably;
- (b) the receipt of all required shareholder, regulatory and court approvals, including without limitation, the conditional approval of the Exchange (as defined below) for the listing and the Transaction;
- (c) Inolife having delivered a certificate addressed to the Agent certifying that the conditions in (a) and (b) above have been satisfied; and

Inolife and the Agent having delivered a joint direction to the Escrow Agent confirming that the conditions set forth above have been met or waived.

If (a) the Escrow Release Conditions are not satisfied on or before the Escrow Deadline, or (b) prior to the Escrow Deadline the Corporation advises the Agent or announces to the public that it does not intend to satisfy the Escrow Release Conditions, the Escrowed Funds shall be returned to the holders of the Inolife Sub-Receipts on a pro rata basis and the Inolife Sub-Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate Issue Price paid by the holders of the Inolife Sub-Receipts, the Corporation hereby agrees that it is responsible and liable, and shall forthwith remit payment to the Escrow Agent, to contribute such amounts as are necessary to satisfy any shortfall.

Pursuant to the terms of the Private Placement offering, the Agent will be entitled to receive a commission of 8% of the aggregate gross proceeds of the Private Placement payable in cash or Inolife Sub-Receipts, or any combination of cash or Inolife Sub-Receipts, will be paid at the option of the Agent. In addition, the Agent will receive Agent's Warrants entitling the Agent to acquire that number of Inolife PP Units which is equal to 8% of the number Inolife Sub-Receipts sold under the Private Placement at an exercise price of \$0.40 per unit for a period of 24 months from the date the Escrow Release Conditions are satisfied. Inolife also has the right to provide a president's list of investors that will subscribe to the Private Placement, in which case the cash commission and Agent's Warrants will be reduced

to 4% on the proceeds received from such investors. A corporate finance fee of \$50,000 will also be payable to the Agent.

The proceeds of the Private Placement will be used to partially satisfy Inolife's obligations under the Technology Transfer and Assignment Agreements and the Share Purchase Agreements and for general working capital purposes.

THE RESULTING ISSUER

The following information is presented on a post-Transaction basis and is reflective of the projected business, financial and share capital position of the Resulting Issuer. As the Resulting Issuer will be the same corporate entity as Buz, this section only includes information respecting Buz (and Inolife, as applicable) after giving effect to the Transaction that is materially different from information provided in this Prospectus regarding Buz prior to Completion of the Transaction.

See "*The Corporation*" and "*Inolife*" for additional information regarding Buz and Inolife, respectively. See also the Pro Forma Financial Statements of the Resulting Issuer attached hereto as Appendix "E". Readers are cautioned that this section includes forward-looking statements relating to the Resulting Issuer, its business, operations and share capital. Please see "Notice Concerning Forward-Looking Statements" and "The Resulting Issuer – Risk Factors" for important risks, factors and assumptions relating to these forward-looking statements.

CORPORATE STRUCTURE

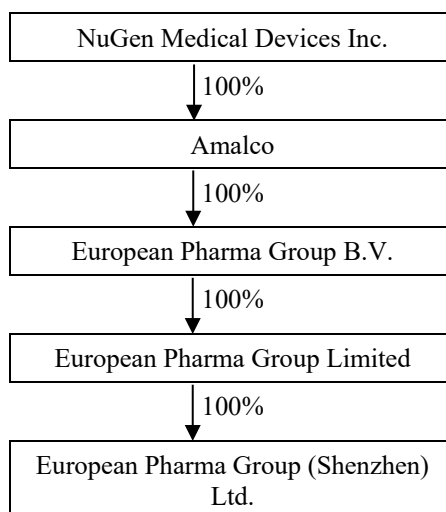
Name, Incorporation and Place of Business

In connection with Completion of the Transaction, Buz will effect the Name Change, changing its name to "NuGen Medical Devices Inc.", or such other name as may be selected by the board of directors, and the Buz Consolidation which was approved by the Buz Shareholders at the Buz Meeting on March 10, 2021.

Following Completion of the Transaction, it is expected that the Resulting Issuer's head office and registered office will be changed and be located at 1, Yonge Street, Suite 1801, Toronto (Ontario) M5E 1W7.

Intercorporate Relationships

Pursuant to the Amalgamation, Inolife will amalgamate with Newco to form Amalco, which will be a wholly-owned subsidiary of the Resulting Issuer. The corporate structure of the Resulting Issuer is expected to be as follows:



BUSINESS OF THE RESULTING ISSUER

Following Completion of the Transaction, the Resulting Issuer's principal business will be that of Inolife. See "Inolife – Business of Inolife".

Following the Completion of the Transaction, the Resulting Issuer will be a medical device company in the business of developing and commercializing needle-free injection systems and other innovative drug delivery technologies.

The Resulting Issuer's objective, using the funds available to it on the Effective Date, is to continue to grow and expand the existing business of Inolife in global markets consistent with Inolife's business plan through increased marketing initiatives, partnerships, and ongoing product development and enhancements.

AVAILABLE FUNDS AND PRINCIPAL USES OF FUNDS

Available Funds

The following table sets out information respecting the Resulting Issuer's sources of funds and intended uses of such funds upon Completion of the Transaction. The amounts shown in the table are estimates only and are based upon the information available to Inolife as of the date hereof.

The intended uses of such funds and/or the Resulting Issuer's development capital needs may vary based upon a number of factors. See "*The Resulting Issuer – Risk Factors*".

Sources of Funds	Amount (\$)
Estimated working capital (deficiency) of BuzBuz as at August 31, 2021	348,144
Estimated consolidated working capital (deficiency) of Inolife as August at 31, 2021 ⁽¹⁾⁽²⁾	(1,222,928)
SUBTOTAL: Estimated working capital (deficiency) of the Resulting Issuer as at August 31, 2021	(874,784)
Net proceeds of the Private Placement (\$4,942,000 less cash commission of \$241,244)	4,700,756
TOTAL:	3,825,972

Note:

- (1) Does not include \$325,000 of current liabilities where the creditors have agreed to receive Inolife shares in satisfaction of the liabilities.
- (2) The difference between the consolidated working capital deficiency of Inolife as at August 31, 2021 and June 30, 2021 is mainly due to two amounts totaling \$2,258,697 included as short-term liabilities as at June 30, 2021 that were subject to an amendment of the share purchase agreement with Care4Pharma signed on August 24, 2021. This amendment was to modify the amount of these two liabilities as well as postpone the repayment of these liabilities to 28 months after the listing of the Resulting Issuer on the TSX Venture Exchange. See "*Inolife - Business of Inolife - Share Purchase Agreement and Acquisition of EPG*".

Principal Uses of Funds

The following table sets out the proposed principal uses for the available funds.

Uses of Funds ⁽¹⁾	Total
Manufacturing and Inventory	\$725,000
Sales, Business Development and Marketing	\$415,000
Capital expenditures ⁽²⁾	\$219,000
Product Development ⁽³⁾	\$100,000

Uses of Funds ⁽¹⁾	Total
General and administrative expenses ⁽⁴⁾	\$815,000
Professional Fees ⁽⁵⁾	\$500,000
SUBTOTAL: ⁽⁶⁾	\$2,774,000
Repayment of Loans ⁽⁷⁾	\$115,000
Unallocated Funds ^{(8) (9)}	\$936,972
TOTAL:	\$3,825,972

Notes:

- (1) As disclosed in Inolife's financial statements for Q2 2021 and FY2020, Inolife currently generates negative cash flow from operations and expects to continue to do so post a successful listing on the TSXV. In Year 1 the Resulting Issuer will execute its business plan with the goal of achieving positive cash flow from operations over time. Spending detailed in the Uses of Funds table is focused on moving the Resulting Issuer toward generating positive cash flow from operations and may be adjusted in light of financial results and market conditions to facilitate this process.
- (2) Includes \$169,000 to increase capacity in the manufacturing facility.
- (3) \$15,000 is allocated to product development for the Inojex technology, and will be used for building a 1 cavity prototype tool for the molding of the Ampoule Housing part (disposable syringe). See "*Inolife - Business of Inolife - Current Business Operations - Research and Development*". \$85,000 relates to the InsuJet™ V6 product. The Resulting Issuer plans on developing the InsuJet™ V6 product in the next 18 months, contingent on the execution of the business plan and level of sales during the first year of the business plan.
- (4) The Resulting Issuer's General and Administrative Expenses for the next 12 months include the following approximations: \$390,000 for consulting fees and salaries; \$60,000 for rent, \$10,000 for corporate and shareholder communications; \$100,000 for directors' and officers' insurance; \$255,000 for transfer agent, public company costs and other costs (interest and bank charges, etc).
- (5) Professional Fees will be used for legal and audit fees related to the Proposed Transaction and fees when the company becomes public.
- (6) In the first 6 months of FY2021, Inolife recorded \$2,000,000 in total expenses, of which, \$351,000 was for non-cash items such as amortization and \$916,000 was for one-time, non-recurring costs for primarily legal and audit fees to complete the Proposed Transaction, and as such recurring expenses for this period were \$735,000 or \$1,470,000 annualized.
- (7) Repayment of the principal amounts, together with interest, of the loan made by Waterloo Innovation Network PM Inc., and the loan made by Michael Wright through his controlled entity N3GU Investments L.P. See "*Inolife - Selected Financial Information and MD&A - Related Party Transactions*".
- (8) Unallocated Funds will be added to the working capital of the Resulting Issuer. The unallocated funds are not required to be spent in order for the Resulting Issuer to achieve its Year 1 Business Plan revenue targets. The Resulting Issuer plans to first spend on sales and marketing to increase sales orders and second to spend on manufacturing to fulfill any new sales orders beyond current capacity.
- (9) In respect of the subsequent annual TTS Royalty payment of \$250,000, if the Resulting Issuer decides not to issue RI Shares, it will make the payment with a portion of the unallocated funds. See "*Inolife - Business of Inolife - Technology Transfer Agreement and Assignment Agreement*".

Business Objective and Milestones

The primary business objective of the Resulting Issuer is to grow its revenues by selling the InsuJet products after Completion of the Transaction. To achieve its business objective of higher revenues through InsuJet product sales, Inolife has set the following milestones in Year 1 to prepare for sales growth and then to fulfill sales orders.

Business Plan – Year 1 (Q4 21 to Q3 22)		
Milestone and Description⁽¹⁾		
<u>Manufacturing</u>		
Target Commence Date: Q4 2021	Target Completion Date: Q3 2022	Estimated Cost: \$725,000
This allocation of funds will be used to pay for manufacturing, inventory and related activities in order to meet the objective of fulfilling sales orders and having production capacity to meet anticipated sales growth of InsuJet injectors, nozzles and adapters. This category consists of labor costs for assembly and costs for quality control, compliance, traceability, business process improvement, (BPI), labelling, rent, etc.		
Note that since FY2020, sales declined significantly as a result of the global Covid-19 pandemic and related lockdowns, which sharply restricted in person interaction between distributors and end users to demonstrate the		

Business Plan – Year 1 (Q4 21 to Q3 22)										
Milestone and Description ⁽¹⁾										
product. Notwithstanding the sales decline, Inolife decided to keep its current staff intact in anticipation of Completion of the Transaction in order to be able to respond quickly once new orders are signed. Initial new orders will be filled with existing inventory while later orders will be assembled by the existing staff which has the capacity to meet orders through the end of Year 1. Currently Inolife has manufacturing capacity sufficient to produce and assemble enough quantities of InsuJet injectors, nozzles and adapters to meet its sales target for Year 1 and well into Year 2. As a result, Inolife does not need to invest in capital equipment related to production to meet its sales targets in Year 1 and Year 2. Inolife also made the decision to maintain the same size of the facilities acquired which were larger than required for sales in FY2020 but did so in anticipation of approval of the Transaction and an increase in orders. The current facility is big enough to manage orders anticipated in Year 1. See "<i>Inolife – Business of Inolife – Current Business Operations – Manufacturing</i>". In addition, the typical distributor agreement terms include about 50% down payment at order confirmation and 50% at shipping allowing Inolife to finance the purchase of production items. Orders are requested to be submitted at least 1 month prior to delivery. Distributors are required to confirm their product forecast demand every quarter for the following 6 calendar months. As a result, these terms allow Inolife to produce stock closely following actual demand, which means limited inventory levels need to be maintained. In addition, as a result of long relationships with primary suppliers, payment terms are favorable and typically payment is requested after receiving and approval of goods. These terms allow Inolife to minimize the need to finance inventory without the backing of sufficient customer purchase orders to provide the necessary cash flow. Details on the costs to be spent in the Year 1 include salary expense of \$512,000 and are: <table><tr><td>Parts Inventory:</td><td>\$275,000</td></tr><tr><td>Assembly, labelling, trace, BPI:</td><td>\$300,000</td></tr><tr><td>Quality control, test, compliance</td><td>\$150,000</td></tr><tr><td>Total</td><td>\$725,000</td></tr></table> See "<i>Inolife – Business of Inolife – Current Business Operations – Manufacturing</i>".			Parts Inventory:	\$275,000	Assembly, labelling, trace, BPI:	\$300,000	Quality control, test, compliance	\$150,000	Total	\$725,000
Parts Inventory:	\$275,000									
Assembly, labelling, trace, BPI:	\$300,000									
Quality control, test, compliance	\$150,000									
Total	\$725,000									
Sales, Business Development and Marketing										
Target Commence Date: Q4 2021	Target Completion Date: Q3 2022	Estimated Cost: \$415,000								
This allocation of funds will be used to increase sales with existing distributors, marketing to support distributors and final end users and develop new distributors using existing staff to close distribution agreements with its global network. The Resulting Issuer will also spend on its digital marketing, advertising, branding, samples and customer support to both distributors and end users. The milestones covered here are include salary expense of \$243,000 and are: 1) Expanding sales with current distribution network in existing markets for salary and related costs: \$175,000 2) Signing new distribution agreements in markets where the product is currently approved for sale and increasing sales in these countries for consultants and related costs: \$30,000 3) Website: \$35,000 4) Product samples: \$25,000 5) Branding marketing, translation and related materials: \$65,000 6) Digital marketing and other marketing: \$45,000 7) Call center/Help desk: \$40,000 Inolife is optimistic it will achieve its Year 1 sales targets for the following reasons: 1) It is in discussion with distributors in five countries which could lead to sales in the first half of Year 1; 2) It has existing distributors/agents in over 17 countries that it will be able to invest in and grow once the Transaction is approved, cash is available to support distributors, and management time is available to focus more on business development and sales; and										

Business Plan – Year 1 (Q4 21 to Q3 22)		
Milestone and Description⁽¹⁾		
3) Its InsuJet product is approved for sale in over 40 countries some of which do not yet have a local distributor. Inolife will seek to conclude agreements with appropriate distributors in these regions, See "<i>Inolife – Business of Inolife – Anticipated Business Operations</i>"		
<u>Capital Expenditures</u>		
Target Commence Date: Q3 2022	Target Completion Date: Q2 2023	Estimated Cost: \$219,000
This allocation of funds will be used to buy capital equipment to improve testing and increase automation and to meet expected future sales in Year 2. The Resulting Issuer expects to spend \$50,000 to buy equipment to 1) further automate testing of certain components at \$35,000 and 2) acquire equipment to test air tightness seals and leakage at \$15,000. Though Inolife currently has the equipment required to meet its sales targets for Year 1 and well into Year 2, it expects to purchase equipment at \$169,000 for acquisition, installation and validation of assembly, testing and packaging equipment. See "<i>Inolife – Business of Inolife – Anticipated Business Operations</i>"		
<u>Product Development</u>		
Target Commence Date: Q3 2022	Target Completion Date: Q3 2022	Estimated Cost: \$100,000
This allocation of funds will be used in two aspects: 1) Salaries on R&D (\$45,000) of the next generation of InsuJet products (InsuJet™ V6). The InsuJet™ V6 device is an incremental improvement of InsuJet V5, and has some improvements in the housing design, ergonomics and usability features. The next phase of development will include design for manufacturing, and design transfer. The total process is estimated to take approximately 18 months. In Year 1, the Resulting Issuer expects to spend \$85,000 in this area with a portion of the work to be done in house at \$20,000 and the remainder at \$65,000 to be outsourced to an experienced medical device design firm the company has worked with in the past. 2) \$15,000 is allocated to product development for the Inojex technology, and will be used for building a 1 cavity prototype tool for the molding of the Ampoule Housing part (disposable syringe). See "<i>Inolife – Business of Inolife – Current Business Operations – Research and Development</i>".		

The above use of available funds should be considered as estimates only. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary or appropriate.

Assuming the Completion of the Transaction, management of the Resulting Issuer may seek additional capital by way of debt or equity financing in order to finance its future development. There is no assurance that additional funding required by the Resulting Issuer will be available if required.

DIVIDENDS

The Resulting Issuer does not currently intend to declare or pay any dividends payable to the holders of the RI Shares. The Resulting Issuer will have no restrictions on paying dividends except as a result of the preference of the Resulting Issuer special shares (if and when issued), and the solvency tests under applicable corporate law, but it is anticipated that if the Resulting Issuer generates earnings in the foreseeable future, those earnings will be retained to pay down its debt (if any) and to finance growth opportunities that may be available. The directors of the Resulting Issuer will determine if and when dividends should be declared and paid in the future based upon the Resulting Issuer's financial position at the relevant time. All of the RI Shares will be entitled to an equal share in any dividends declared and paid. There are currently no Resulting Issuer special shares issued or outstanding.

DESCRIPTION OF SECURITIES

The authorized capital of the Resulting Issuer will consist of an unlimited number of common shares without nominal or par value ("**RI Shares**") and an unlimited number of special shares issuable in series.

Each holder of RI Shares shall be entitled to receive notice of and to attend all meetings of Shareholders of the Resulting Issuer, except meetings at which only holders of other classes or series of shares are entitled to attend, and at all such meetings shall be entitled to one vote in respect of each common share held by such holder.

The holders of RI Shares shall be entitled to receive dividends if and when declared by the board of directors.

In the event of any liquidation, dissolution or winding-up of the Resulting Issuer or other distribution of the assets of the Resulting Issuer among RI Shareholders for the purpose of winding-up its affairs, the holders of RI Shares shall be entitled, subject to the rights of holders of shares of any class ranking prior to the RI Shares, to receive the remaining property or assets of the Resulting Issuer.

All of the RI Shares issued and outstanding upon Completion of the Transaction will be fully paid and non-assessable. Upon Completion of the Transaction, it is expected that 86,008,641 RI Shares will be issued and outstanding. In addition, 20,622,267 will be reserved for issuance pursuant to the RI Convertible Securities.

OPTIONS TO PURCHASE SECURITIES

It is intended that RI Options will be issued in exchange for the surrender and cancellation of the Inolife Options in connection with Closing. After giving effect to the Transaction, the following table sets forth details regarding the RI Options that will be outstanding.

Holders⁽¹⁾	Number of Options ⁽²⁾	Exercise Price	Market Value on Date of Grant/Transaction	Expiry Date
Officers of the Resulting Issuer	Nil	Nil	Nil	Nil
Directors of the Resulting Issuer who are not also officers of the Resulting Issuer	Nil	Nil	Nil	Nil
Past officers and directors of Buz ⁽³⁾	450,000	\$0.10	\$0.20	May 24, 2024
Ronald Denis	83,333	\$0.90	\$0.90	October 31, 2021
Erik Martinoli	166,666	\$0.30	\$0.30	September 1, 2022
TOTAL:	699,999⁽⁴⁾			

Notes:

- (1) For a complete description of the proposed directors of the Resulting Issuer, see "The Resulting Issuer – Directors and Executive Officers".
- (2) On a post-consolidated basis.
- (3) Per Exchange Policy 4.4 – Incentive Stock Options, section 7.6, these RI Options shall expire 90 days from the Completion of the Transaction, being the date these individuals cease to be directors of the Resulting Issuer.
- (4) Upon the Completion of the Transaction and upon the approval of the board of RI, there will be an additional 5,900,000 RI options issued.

Following Completion of the Transaction, it is expected that there will be 699,999 RI Options and 1,200,000 Agent's Warrants outstanding, each entitling the holder thereof to purchase one RI Share at an exercise price as per above. It is expected that following Closing, the Resulting Issuer Board will issue RI Options to directors and officers of the Resulting Issuer in accordance with the terms of the Resulting Issuer Option Plan, applicable Exchange Requirements and customary practices.

Stock Option Plan

At the Buz Meeting, Buz Shareholders approved the adoption of the New Stock Option Plan to take effect immediately after Completion of the Transaction.

The summary of the New Stock Option Plan set forth below is subject to and qualified in its entirety by the provisions of such plan. Reference should be made to the provisions of the New Stock Option Plan with respect to any capitalized term or particular provision described below.

PRO FORMA CONSOLIDATED CAPITALIZATION OF THE RESULTING ISSUER

Pro Forma Consolidated Capitalization of the Resulting Issuer

The following table summarizes the Resulting Issuer's consolidated capitalization as at December 31, 2020, based on the pro forma consolidated financial statement contained in this Prospectus, after giving effect to the Completion of the Transaction, the Buz Consolidation, the Inolife Consolidation and the Private Placement.

Description	Amount Authorized or to be Authorized	Outstanding after giving effect to the Transaction & Consolidation ^{(1) (2) (3)}
Common Shares	Unlimited	86,008,641

Note:

- (1) Does not include: (i) 700,000 RI Shares that will be issuable upon the exercise of the RI Options; (ii) 8,052,659 that will be issuable upon exercise of the RI Warrants; (iii) 3,333,333 RI Shares that will be issuable upon exercise of the RI Convertible Debenture; 3,500,000 RI Shares will be held in escrow after the Completion of the Transaction. See "*The Resulting Issuer – Escrowed Securities*".
- (2) This number does not include 1,666,667 RI Shares that may be issued to Care4Pharma pursuant to a price adjustment clause in the Second Amended and Restated Share Purchase Agreement and Settlement Agreement. See "*Inolife – Business of Inolife – Share Purchase Agreements and Acquisition of EPG*". Any adjustment in the number of RI Shares (either currently issued or to be issued in the future) would be based upon the requirements of the TSXV. If these 1,666,667 RI Shares are issued to Care4Pharma, these will be considered as escrowed securities.
- (3) This number includes interest payable in common shares on convertible debentures issued pursuant to the Bridge Financing but the number of shares is not final as it will be calculated at the exact date of the conversion.

Pro Forma Fully-Diluted Capitalization of the Resulting Issuer

The following table summarizes the number and percentage of securities of the Resulting Issuer to be outstanding on a fully diluted basis after giving effect to the Transaction and the Private Placement.

Description	Number of Securities	% of total number of RI Shares outstanding following Completion of the Transaction	
		(Non-Diluted)	(Fully-diluted)
Buz Shares outstanding as of the date of this Prospectus	4,875,000	5.67%	4.57%
<i>Inolife :</i>			
RI Shares to be issued as consideration for the Inolife shares	65,830,536		
RI Shares to be issued as consideration for the holders of Inolife Sub-Receipts pursuant to the Private Placement	11,605,000		
RI Shares to be issued as consideration for the convertible debentures issued pursuant to Bridge Financing	1,516,666		

Description	Number of Securities	% of total number of RI Shares outstanding following Completion of the Transaction	
		(Non-Diluted)	(Fully-diluted)
RI Shares to be issued as consideration for the interest on the convertible debentures issued pursuant to Bridge Financing	126,389 ⁽²⁾		
RI Shares to be issued pursuant to share for debt settlement under TTS Agreement	187,500		
RI Shares to be issued for Agent's commission	211,202		
RI Shares to be issued for Introductory Fee	1,656,348		
Total RI Shares to be issued as consideration for Inolife	81,133,641	94.33%	76.09%
Total RI Shares (Undiluted): ⁽¹⁾ ⁽²⁾	86,008,641	100%	80.66%
RI Shares issuable upon exercise of Buz Options	450,000	-	0.42%
RI Shares issuable upon exercise of Inolife Options	250,000	-	0.23%
RI Shares issuable upon exercise of Inolife Warrants	8,052,659	-	7.55%
RI Shares issuable upon exercise of Inolife Convertible Debenture	3,333,333	-	3.13%
RI Shares issuable upon exercise of Private Placement Warrants	5,802,500	-	5.44%
RI Shares issuable upon exercise of Agent's commission warrants	105,601		0.10%
RI Shares issuable upon exercise of Introductory Fee warrants	828,174		0.78%
RI Shares issuable upon exercise of brokers options	1,200,000		1.13%
RI Shares issuable upon exercise of brokers warrants	600,000		0.56%
Fully Diluted Total: ⁽¹⁾ ⁽²⁾	106,630,908		100%

Notes:

- (1) This number does not include 1,666,667 RI Shares that may be issued to Care4Pharma pursuant to a price adjustment clause in the Second Amended and Restated Share Purchase Agreement and Settlement Agreement. See "*Inolife – Business of Inolife – Share Purchase Agreements and Acquisition of EPG*". Any adjustment in the number of RI Shares (either currently issued or to be issued in the future) would be based upon the requirements of the TSXV. If these 1,666,667 RI Shares are issued to Care4Pharma, these will be considered as escrowed securities.
- (2) This number is not final as the interest will be calculated at the exact date of the conversion.

PRINCIPAL SECURITYHOLDERS

To the knowledge of management of Buz and Inolife, no Person or company is anticipated to own of record or beneficially, directly or indirectly, or exercise control or direction over more than 10% of any class of voting securities of the Resulting Issuer upon Completion of the Transaction.

DIRECTORS AND EXECUTIVE OFFICERS

The following table provides the names of the proposed directors and officers of the Resulting Issuer following Completion of the Transaction, their age, municipalities of residence, position, principal occupations during the past five years and the number of Resulting Shares that each of the individuals will beneficially own, control or direct, directly or indirectly, as of the date of this Prospectus (after giving effect to the Private Placements and the Transaction).

Name, Municipality of Residence and Position to be Held	Director/Officer Since	Principal Occupation for Past Five Years	Number of the RI Shares to be owned directly and indirectly after Completion of the Transaction⁽¹⁾
Michael Wright Montréal, Québec <i>President, CEO & Director</i>	To be appointed upon Completion of the Transaction	President and CEO of Inolife R&D Inc.; Managing Partner of N3gU Investment LP	5,033,333 ⁽²⁾
Veronique Laberge Laval, Québec <i>CFO</i>	To be appointed upon Completion of the Transaction	CFO at Dunton Rainville LLP; President and CPA Auditor at Laberge CPA	Nil
Nicky Canton Nijmegen, Netherlands <i>COO</i>	To be appointed upon Completion of the Transaction	Director of Production and COO of EPG	Nil
Derek Lindsay Montréal, Québec <i>Director</i>	To be appointed upon Completion of the Transaction	Managing Partner, Sierra Financial Group	Nil
Karen Dunlap LaQinta, CA, USA <i>Director</i>	To be appointed upon Completion of the Transaction	Retired from her functions of President, Corporate Director and Chief Operating Officer of Sol-Millennium Medical, Inc.	50,000
John Leombruno Mississauga, Ontario <i>Director</i>	To be appointed upon Completion of the Transaction	Pharmacist, Cofounder of Specialty Pharmacies in Canada	5,285,714
William Cleman Côte Saint-Luc, Québec <i>Director</i>	To be appointed upon Completion of the Transaction	Management Consultant (Cleman Consulting Inc.)	Nil
Michael Wekerle Caledon, Ontario <i>Director</i>	To be appointed upon Completion of the Transaction	Chairman of Mogo Inc. (formerly Difference Capital Financial Inc.) and Chairman of Waterloo Innovation Network	1,125,000

Notes:

- (1) Including 966,666 share held directly by Michael Wright, 3,733,333 shares held by N3GU Investments L.P., a limited partnership controlled by Michael Wright and 333,333 shares held directly by his Michael Wright's spouse, Annabelle Gauthier.
- (2) Shares held by 2134255 Ontario Inc., a privately held company controlled by John Leombruno.

Each director will hold office until the next annual meeting of RI Shareholders at which time any or all of the directors may be elected to hold office for a term expiring no later than the close of the next annual meeting of RI Shareholders.

After the Completion of the Transaction, the directors and officers of the Resulting Issuer as a group are expected to beneficially own, directly or indirectly, or exercise control or direction over 11,494,047 of the then issued and outstanding RI Shares, representing approximately 13.11% of the total votes attached to all of the then outstanding voting securities of the Resulting Issuer being 86,008,641 RI Shares.

The following are summaries of the proposed directors and principal management of the Resulting Issuer, including their respective proposed positions with the Resulting Issuer and relevant work and educational background.

No member of senior management is currently a party to, or proposes to enter into, any formal non-competition or confidentiality agreement with Inolife or the Resulting Issuer.

Michael Wright, Age 55 – President, CEO & Director

Mr. Wright is an entrepreneur with over 20 years of experience as a corporate executive. Mr. Wright studied at Concordia University and continued along his progressive Executive MBA program at Harvard University specializing in launching new ventures, which, collectively, contribute to his managerial and intellectual force. With over 25 years' experience in the financial industry, Mr. Wright served many commercial industry leaders as well as traditional financial and institutional credit grantors. In addition, he was a Member of the Canadian Credit Institute and of the Credit Managers Association of Canada, his firm was licensed by the Consumer Protection Agency and the Access to Information Commission. Finally, Mr. Wright has strongly contributed to the Children's Wish Foundation of Canada, where he has served as a volunteer for over 20 years, including 7 years as the Foundation's President and Chairman of the Board for which he was awarded the Queen Elizabeth II Diamond Jubilee Medal of honor.

Veronique Laberge, Age 38 – CFO

Mrs. Véronique Laberge began her career in an accounting firm in 2005. She then participated in various certification mandates for private companies. Mrs. Laberge then chose to pursue her career in a management position in the field of professional services, an experience that will allow her to acquire solid expertise in the business world. In 2018, Mrs. Laberge returned to professional practice as a self-employed practitioner. Specializing in certification mandates, general accounting and as a consultant for public and private companies, she wishes to support companies in their financial management. Also a chartered professional accountant and holder of the title of auditor, she now has more than 12 years of experience in professional practice.

Nicky Canton, Age 38 – Chief Operating Officer

Mr. Nicky Canton has a background in industrial design engineering as well as business administration with more than 10 years of experience in product manufacturing, development, and regulatory compliance of healthcare products, and more particularly, the needle-free injection systems. As a problem solver and a critical thinker with a combination of strong analytical and creative skills, Nicky is the COO responsible for R & D and manufacturing activities of EPG. As such, Mr. Canton developed a background and acquired an expertise in product development, risk management and regulatory compliance, and supplier management including but not limited to, manufacturing processes, injection molding, assembly of medical devices, sterile packaging and sterilization. Throughout his career, Mr. Canton has filed and obtained a number of patents related to technology of needle-free injection systems in China, Europe and the United States and is therefore knowledgeable with the regulatory procedures to obtain intellectual proprietary rights. Mr. Canton is a full time employee.

Derek Lindsay, Age 60 – Director

Derek Lindsay is a seasoned financial executive with extensive international experience. Mr. Lindsay has a proven track record raising equity/debt capital, and completing restructurings, acquisitions and buy-outs. He possesses a strong operational finance background, particularly in improved financial performance, cash management, reporting/budgets, and internal controls. Derek also excels in improving risk management and relations with investors and other key stakeholders. He has a solid record of achieving objectives through innovative thinking and an effective management style. He has experience in the life sciences, fintech, software (SaaS), telecom and media sectors.

He is founder and managing partner of Sierra Financial Group, a consulting firm providing financial advice to high growth small and mid-sized companies. He has acted as CFO/CEO/ CRO. He was CFO of two public SAAS software companies that were sold to private equity firms as well as a public medical device company sold to a health care multinational. He has been the CFO of 7 public companies on the TSX, NASDAQ, or TSXV. Derek also brings wide experience from various senior financial roles at Aeroplan, BCE, Imasco and CIBC Wood Gundy.

Mr. Lindsay is a board member of Quetzal POS, a B2B SAAS company focused on specialty retail. As well, he was an investor and board member of select emerging software and telecom companies. Derek holds an MBA from the Tuck School at Dartmouth College (USA).

Karen Dunlap, Age 74 – Director

Karen has retired from Sol-Millennium Medical, Inc., effective December 31, 2017, as Corporate Director, and President/COO. Sol-Millennium Medical was launched in North America through an acquisition of assets Karen had arranged from another syringe manufacture, which enabled Sol-Millennium to immediately go to market on the conclusion of this acquisition. In order to open other markets, Karen completed a Joint Venture in Brazil and immediately went to market and subsequently opened offices in the EU and UK. Karen's background specializes in start-up companies bringing new technology to market, working together with end-users, manufacturing, marketing and sales on developing and design of safe medication delivery systems to meet the demands of the market. Karen has extensive experience in both domestic and international health care management covering all facets of business, including product development, manufacturing, operations, P & L, sales, marketing and strategic planning for a number of emerging medical technology companies. Along the way, Karen has developed strong relations within Distribution worldwide including Pharma on the launch of new products and has extensive knowledge and experience of the medical technology market, both clinically, and meeting the demands of a global market.

John Leombruno, Age 47 – Director

Dr. John Leombruno is a graduate of the University of Toronto Pharmacy Program and practiced several years as both a hospital and retail pharmacist. Dr. Leombruno then moved into the Pharmaceutical industry and held various roles of increasing responsibility, culminating in the position of Vice President, Medical Affairs. In 2007, Dr. Leombruno co-founded one of the first Specialty Pharmacies in Canada. The Specialty Pharmacy business grew to include a Patient Support Program division and a pharmaceutical importing and distribution business and was acquired by a multinational corporation. Dr. Leombruno has an excellent understanding of the regulations, marketing, distribution and sales of pharmaceuticals and medical devices.

William Cleman, Age 71 – Director

M. William Cleman is an experienced operating and financial executive in the retail and real estate sectors. Mr. Cleman is a corporate director and consultant. He retired as Chairman and CEO of Bouclair Inc., a Montreal-based retail chain in the home furnishings sector, in 2003. Previously, Mr. Cleman had held senior positions at Bouclair since 1994. From 1989 to 1994, he was a partner in Cleman Ludmer Steinberg Inc., a merchant bank. From 1971 to 1989, Mr. Cleman had a successful career at Steinberg Inc., a major food retailer and real estate company. His title at the time of his departure in 1989 was Executive Vice President, Steinberg and Chairman and CEO of Ivanhoe Inc. He holds a bachelor of commerce degree from McGill University (1970) and a Masters of Business Administration degree from the University of Western Ontario (1972).

Michael Wekerle, Age 57 – Director

Michael Wekerle is often referred to as a rock star in the world of Canadian finance, known for his shrewd value spotting in the fields of tech, biotech and media. He spent his early days as a Vice President of First Marathon Securities for over 10 years, following this tenure Michael was co-founder of GMP Securities and managing partner. As the founder and Chairman of the merchant bank Difference Capital Financial Inc., he oversaw a fund that includes such successful growth companies as Hootsuite, Vision Critical, BuildDirect and Blue Ant Media. Michael is currently the director and major investor at Mogo Finance Technology Inc. which acquired Difference Capital Financial Inc. He is also the owner and CEO of The El Mocambo in downtown Toronto, an entertainment venue, production facility, retail store, and the largest recording studio on the eastern seaboard, which he revived and renovated for the age of livestreaming. He is a major investor in CYA Live, an immersive social broadcast platform for shared real-time experiences. He is Chairman and CEO of Waterloo Innovation Network Inc and holds significant real estate assets, including an impressive portfolio of high-tech commercial properties in Waterloo, Ontario. He is a partner in the Canadian franchise of Wahlburgers—Paul, Donnie and Mark Wahlberg's Boston-based chain of restaurants. He was an investor on the Canadian reality show Dragon's Den for four years first appearing in the ninth season. Michael lives in Toronto and is a doting father to six children.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoter of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name	Name Of Reporting Issuer	Name of Exchange or Market	Position	From		To	
				MM	YY	MM	YY
Derek Lindsay	Geomega Resources Inc.	TSXV	CFO	Jan	2015	Sept.	2016
	Lumiera Health Inc.	TSXV	VP, Corporate Development	May	2019	August	2019
	Mobi 724 Global Solutions Inc.	TSXV	CFO	Nov	2017	Sept.	2018
William Cleman	Newlook Vision Group Inc.	TSX	Director, Member of Executive Committee	Jan	2004	Present	
	Hartco Inc.	TSX	Director, Head of Special Committee	Jan	2015	July	2015
Michael Wekerle	Mogo Inc.	TSX, NASDAQ	Director, Former Executive Chairman	Oct	2012	Present	
	Mogo Finance Technology Inc.	TSX, NASDAQ	Insider, Control Person	Nov	2016	June	2019

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, as at the date of this Prospectus and within the ten years before the date of this Prospectus, no proposed director or officer of the Resulting Issuer or securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to materially affect its control, is or has been a director, officer or promoter of any company that, while that Person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order, or an order that denied the relevant company access to any exemption under applicable securities law, for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No proposed director or officer of the Resulting Issuer or securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to materially affect its control has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable securityholder making a decision about the Transaction.

Personal Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such person has, within the ten years before the date of the Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or promoter.

Conflicts of Interest

Some of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon the Completion of the Transaction or who may be considered promoters of the Resulting Issuer are also directors, officers and/or promoters of other reporting and non-reporting issuers. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of the CBCA to act at all times in good faith in the interest of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise. To the best of its knowledge, the Corporation is not aware of the existence of any conflicts of interest between the Corporation and any of its directors and officers as of the date of this Prospectus. To the best of its knowledge, Inolife is not aware of the existence of any conflicts of interest between Inolife and any of its directors and officers as of the date of this Prospectus. The RI Shareholders must appreciate that they will be required to rely on the judgment and good faith of its directors and officers, as well as on the judgment and good faith of the directors and officers of the Resulting Issuer, in resolving any conflicts of interest that may arise.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The following discussion provides information about the Resulting Issuer's proposed philosophy, objectives and processes regarding compensation for the Resulting Issuer's executive officers following the Completion of the Transaction. Compensation for the Resulting Issuer's CEO, CFO and the next most highly compensated executive officers (collectively, the "**Proposed Named Executive Officers**") will be determined by the board of directors of the Resulting Issuer. The Resulting Issuer's executive compensation will predominantly be based on prevailing industry compensation practices for companies of similar size and scope operating in the same industry and the Resulting Issuer's performance in achieving certain goals.

It will be the responsibility of the Resulting Issuer's board of directors as a whole, and the Governance, Nomination & Compensation Committee, to make decisions regarding executive compensation matters. The Resulting Issuer's compensation program supports its commitment to delivering strong performance for the RI Shareholders. The Resulting Issuer's overall objective of its compensation philosophy is the attraction, motivation and retention of quality, experienced people to achieve the Resulting Issuer's strategic objectives and to align the interests of its executive officers and employees with the long-term interest of the RI Shareholders.

All of the components of the Resulting Issuer's executive compensation program will be reviewed and confirmed by its board of directors following the Completion of the Transaction and the appointment of the new board members. It is currently contemplated that executive compensation will be comprised of the following components: base salary, and RI Options. Together, these components are designed to address the key objectives of the Resulting Issuer's compensation program.

Elements of Executive Compensation

Base Salaries

Salaries for executive officers, including the Named Executive Officers, will be reviewed annually based on corporate and personal performance and on individual levels of responsibility. Salaries of executive officers are not determined based on benchmarks or a specific formula. The Resulting Issuer intends to pay a base salary to its executives that is competitive with those of comparable companies in the mobile delivery industry.

In setting base compensation levels for executive officers, consideration will be given to objective factors such as level of responsibility, time commitment, experience and expertise as well as subjective factors such as leadership.

Option-Based Awards

RI Options will be granted pursuant to the New Stock Option Plan to directors, executive officers, employees and consultants of the Resulting Issuer and are intended to align such individuals' interests to achieve the longer-term objectives of the Resulting Issuer, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Resulting Issuer and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Resulting Issuer. See "The Resulting Issuer – Options to Purchase Securities – Stock Option Plan".

Summary Compensation Table

The following disclosure is presented in accordance with Form 51-102F6V – Statement of Executive Compensation – Venture Issuers. The following table contains information about the compensation that is proposed to be payable to the Resulting Issuer's Named Executive Officers for the 12 month period from the date of this Prospectus after giving effect to the Transaction.

Name and principal position	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annual incentive plans	Long-term incentive plans			
Michael Wright <i>President, CEO & Director</i>	\$195,000	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	\$195,000
Veronique Laberge <i>CFO</i>	\$96,000	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	\$96,000
Nicky Canton <i>COO</i>	\$180,000	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	To be determined ⁽¹⁾	\$180,000

Note:

- (1) Upon completion of the Proposed Qualifying Transaction, the Resulting Issuer will establish a compensation committee, which will determine the applicable compensation for Named Executive Officers of the Resulting Issuer. See "The Resulting Issuer – Corporate Governance – Other Committees".

Long-Term Incentive Plan Awards

The Resulting Issuer does not anticipate that it will have any long-term incentive plans during the next 12 months.

Pension Plan Benefits

It is not anticipated that the Resulting Issuer will establish a pension plan, a defined benefit plan or any retirement savings programs for the Proposed Named Executive Officers or other employees of the Resulting Issuer within the next 12 months.

Deferred Compensation Plans

It is not anticipated that the Resulting Issuer will establish a deferred compensation plan for the Proposed Named Executive Officers or other employees of the Resulting Issuer within the next 12 months.

Director Compensation

No compensation is anticipated to be paid to directors who are not executive officers for their services as directors. Directors will be eligible to receive grants of stock options from time to time.

AUDIT COMMITTEE

Composition of the Audit Committee

The Resulting Issuer Board will have an Audit Committee that is expected to be comprised of Derek Lindsay, Karen Dunlap and William Cleman, all of whom will be considered independent and all of them are financially literate, in each case within the meaning of National Instrument 52-110 - *Audit Committees*. Derek Lindsay is proposed to serve as the Chair of the Audit Committee of the Resulting Issuer Board.

The Audit Committee will provide assistance to the Resulting Issuer Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Resulting Issuer.

Additionally, the Audit Committee and the Chair of the Audit Committee will be responsible for all matters relating to the Whistleblower Policy, described in more detail below. See "*Resulting Issuer – Corporate Governance - Ethical Business Conduct*".

The Audit Committee Charter

The Resulting Issuer Board intends to adopt the Audit Committee Charter, the full text of which is attached to this Prospectus as Appendix "A", upon Completion of the Transaction. It also anticipates that the Audit Committee Charter will be affirmed at the next annual general meeting of the RI Shareholders.

CORPORATE GOVERNANCE

The Canadian Securities Administrators have issued corporate governance guidelines pursuant to National Policy 58-201 - *Corporate Governance Guidelines* (the "**Corporate Governance Guidelines**"). The Corporate Governance Guidelines are recommended as "best practices" for issuers to follow. The Resulting Issuer recognizes that good corporate governance will play an important role in the Resulting Issuer's overall success and in enhancing shareholder value and, accordingly, the Resulting Issuer Board will adopt corporate governance policies, practices and procedures required by applicable law or as the Resulting Issuer Board determines are appropriate for a company of its size and stage of development.

Board of Directors

The proposed Resulting Issuer Board consists of six directors: Michael Wright, Derek Lindsay, Karen Dunlap, John Leombruno, William Cleman and Michael Wekerle. Other than Michael Wright who will be the President and CEO of the Resulting Issuer, the other five directors will all be independent based upon the test for director independence set out in NI 52-110.

The Resulting Issuer Board intends to hold regularly scheduled meetings as well as ad hoc meetings from time to time. The independent members of the Resulting Issuer Board intend to also meet no less than two times per year without the non-independent directors and members of management.

See "*Resulting Issuer – Directors and Executive Officers*".

Board Mandate

The Resulting Issuer Board intends to adopt a written mandate governing the Resulting Issuer Board.

In fulfilling its responsibilities, the Resulting Issuer Board will be responsible for, among other things: (i) management oversight; (ii) monitoring financial performance and other financial reporting matters; (iii) approving and monitoring compliance with all significant policies and procedures pursuant to which the Resulting Issuer will be operating; (iv) overseeing the accurate reporting of the financial performance of the Resulting Issuer; (v) adopting and performing an annual review of policies and procedures designed to ensure that the Resulting Issuer and its directors, officers and employees comply with all applicable laws, rules and regulations; and (vi) establishing and overseeing committees of the Resulting Issuer Board, as appropriate.

Position Descriptions

The Resulting Issuer does not intend to adopt written position descriptions for the Chair of the Resulting Issuer Board, the Chair of the Audit Committee, and the Chair of the Disclosure Committee, nor does it intend at this time to adopt a written position description for each of its CEO, CFO or COO given the size and stage of development of the Resulting Issuer and that the roles and duties of those officers will likely be constantly evolving for the foreseeable future.

With respect to the Chair of the Resulting Issuer Board, the Chair of the Audit Committee and the Chair of the Disclosure Committee, the Resulting Issuer expects that the Chairs will assume a leadership role on the Resulting Issuer Board, on the Audit Committee and on the Disclosure Committee, as applicable, and that written descriptions will, in the future, be developed. The Audit Committee and the Disclosure Committee will have a written charter and a Disclosure and Confidentiality Policy, respectively, which will help delineate their roles and responsibilities. See "*Resulting Issuer – Audit Committee*" and "*Resulting Issuer – Corporate Governance – Other Board Committees*".

With respect to the CEO, the scope and duties of the CEO will include, among other things, strategic planning, corporate and business development, fundraising and value creation. The CEO will be subject to the oversight of the Resulting Issuer Board and a written position description for the CEO may be developed in the future. Additionally, the CEO will act as the compliance officer for the Securities Trading Policy that the Resulting Issuer Board intends to adopt.

With respect to the CFO, the scope and duties of the CFO will include, among other things, the planning, implementing, managing and running of all of the finance activities of the Resulting Issuer, including, among other things, business planning, budgeting, forecasting and negotiations. The CFO will be subject to the oversight of the Resulting Issuer Board and a written position description for the CFO may be developed in the future.

With respect to the chief operating officer, the scope and duties of the COO will include, among other things, overseeing the day-to-day administrative and operational functions of the Resulting Issuer's business. The COO will be subject to the oversight of the Resulting Issuer Board and a written position description for the COO may be developed in the future.

Orientation and Continuing Education

The Resulting Issuer does not currently intend to adopt a formal orientation and continuing education program for new directors. However, it is expected that all new directors will be given informal training, which will include background material on the Resulting Issuer's policies and procedures, as well as documents from recent meetings of the Resulting Issuer's Board. New directors may also visit the Resulting Issuer's operations and have access to management to discuss the activities of the Resulting Issuer. Directors will be encouraged to be involved in continuing director education on an ongoing basis and the Resulting Issuer intends to pay all reasonable expenses related to continuing director education.

Ethical Business Conduct

The Resulting Issuer intends to adopt a Code of Business Conduct and Ethics that will be applicable to all of the directors, officers, employees, consultants and contractors of the Resulting Issuer. Following the completion of the Proposed Qualifying Transaction, it will be available on the Resulting Issuer's website at www.nugenmd.com. The Governance, Nomination & Compensation Committee will be responsible for overseeing the Code of Business Conduct and Ethics and must approve any waivers of the Code of Business Conduct and Ethics for the directors, officers, employees, consultants and contractors of the Resulting Issuer. Any significant amendments to the Code of Business Conduct and Ethics will be disclosed on the Resulting Issuer's website. Information contained in, or accessible through, the Resulting Issuer's website does not constitute a part of, and is not incorporated into, this Prospectus.

In addition to the Code of Business Conduct and Ethics, the Resulting Issuer intends to adopt a Whistleblower Policy that will provide officers, directors and employees of the Resulting Issuer with a process for disclosing complaints or concerns regarding financial matters. In accordance with the Whistleblower Policy, all complaints and concerns will be forwarded to the Chair of the Audit Committee.

Additionally, the proposed Resulting Issuer Board will rely on the fiduciary duties placed on individual directors by the Resulting Issuer's governing corporate legislation and the common law to ensure that it operates independently of management and in the best interests of the Resulting Issuer.

Nomination of Directors

The Governance, Nomination & Compensation Committee, as described in more detail below, will be responsible for identifying qualified individuals to become new members of the Resulting Issuer Board and recommending new director nominees for the next annual meeting of the shareholders of the Resulting Issuer.

Compensation

The Governance, Nomination & Compensation Committee, as described in more detail below, will conduct compensation reviews with regard to the compensation of the CEO, the CFO and the COO of the Resulting Issuer once a year.

Other Board Committees

In addition to the Audit Committee, see "Resulting Issuer – Audit Committee", the Resulting Issuer Board intends to establish: (i) the Governance, Nomination & Compensation Committee, for which it intends to adopt a Governance, Nomination & Compensation Committee Charter; and (ii) the Disclosure Committee, for which it intends to adopt a Disclosure and Confidentiality Policy.

The Governance, Nomination & Compensation Committee and Charter

The purpose of the Governance, Nomination & Compensation Committee will be to assist the Resulting Issuer Board in fulfilling its oversight and responsibilities with respect to:

- the development of the corporate governance guidelines and principles;
- the establishment of key human resources and compensation policies, including all incentive and equity based compensation plans;
- identifying individuals qualified to be nominated as members of the Resulting Issuer Board;
- the structure and composition of the Resulting Issuer Board committees;
- evaluating the performance and effectiveness of the Resulting Issuer Board;

- the performance evaluation of, and the determination of the compensation of, the CEO, the CFO, the COO and other senior executives of the Resulting Issuer;
- the establishment of policies and procedures designed to identify and mitigate risks associated with the Resulting Issuer's compensation policies and practices;
- succession planning, including the appointment, training and evaluation of senior management; and
- the compensation of the members of the Resulting Board and its committees.

The Governance, Nomination & Compensation Committee will consist of at least three directors, appointed by the Resulting Issuer Board, and it will appoint one of its members to act as the Chair of the Governance, Nomination & Compensation Committee, and one of its members to act as secretary. Meetings of the Governance, Nomination & Compensation Committee will be held at such times and places as its Chair may determine, but in any event not less than once per year.

The Governance, Nomination & Compensation Committee intends to adopt a Charter.

Disclosure Committee and Disclosure and Confidentiality Policy

The Disclosure Committee will consist of the CEO, the CFO, the Chair of the Resulting Issuer Board and an independent director designated by the Chair of the Resulting Issuer Board.

The purpose of the Disclosure and Confidentiality Policy will be to ensure the timely and accurate disclosure of material information relating to the Resulting Issuer in accordance with applicable securities laws and rules of the TSX Venture Exchange, to protect the improper use or disclosure of material information or confidential information about the Resulting Issuer and to promote compliance with the insider trading rules.

The Disclosure and Confidentiality Policy will apply to all securities of the Resulting Issuer, including, as applicable, options, warrants, preferred shares, debentures and any other debt or equity securities of the Resulting Issuer and any other instruments, agreements or securities, the market price, value or payment obligations of which are derived from, referenced to or based on the value of securities of the Resulting Issuer.

The Disclosure Committee will be responsible, among other things, for determining whether information is material information, the timely disclosure of material information in accordance with applicable securities laws and stock exchange rules and regulations, monitoring compliance with the Disclosure and Confidentiality Policy and overseeing Resulting Issuer's disclosure controls and procedures.

Advisory Board

The members of Inolife Advisory Board, Dr. Richard Gallo, Dr. Ronald Denis, Joseph McClendon III, Dr. Camillo Ricordi and Mr. Vincente Fox Quesada, are expected to continue to serve the Resulting Issuer and act as scientific, medical, business development and capital markets advisors who will bring valuable insight into the development of the Resulting Issuer's products and business. The Advisory Board is not currently anticipated to have a written mandate and is expected to conduct meetings on an ad hoc basis.

Assessments

The proposed Resulting Issuer Board will be responsible for ensuring that an appropriate system is in place to evaluate the effectiveness of the Resulting Issuer Board as a whole, the individual committees of the Resulting Issuer Board, and the individual members of the Resulting Issuer Board with a view of ensuring that they are fulfilling their respective responsibilities and duties. In connection with such evaluations, each director will be required annually to provide his or her assessment of the effectiveness of the Resulting Issuer Board and each committee as well as the performance of the individual directors. Such evaluations will take into account the competencies and skills each

director is expected to bring to his or her particular role on the Resulting Issuer Board or on a committee, as well as any other relevant facts.

Director Term Limits and Other Mechanisms of Board Renewal

Each member of the proposed Resulting Issuer Board will hold office until the next annual meeting of RI Shareholders at which time any or all of the directors may be elected to hold office for a term expiring no later than the close of the next annual meeting of RI Shareholders.

Diversity and Executive Officer Positions

The Resulting Issuer does not currently intend to adopt a formal policy with respect to the identification and nomination of women and of other diverse attributes on the Resulting Issuer Board. Establishing and implementing a policy regarding diversity and female representation on the Resulting Issuer Board will be an element that the Resulting Issuer will take into consideration going forward.

There is currently one woman who is proposed to be on the Resulting Issuer Board representing 17% of the members of the proposed Resulting Issuer Board and there is one woman who is proposed to be the CFO representing 33% of the proposed executive officers of the Resulting Issuer.

The Resulting Issuer is committed to increasing the proportion of women on the Resulting Issuer Board as board turnover occurs from time to time, taking into account the skills, background, experience and knowledge desired at a particular time by the Resulting Issuer Board and its committees. Accordingly, consideration of the number of women who are directors, along with consideration of whether other diverse attributes are sufficiently represented on the Resulting Issuer Board, will be an important component of the selection process for new members of the Resulting Issuer Board going forward.

Gender diversity on the Resulting Issuer Board will be achieved by continuously monitoring the level of female representation and, where appropriate, recruiting qualified female candidates to fill positions, as the need arises, through vacancies, growth or otherwise.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No individual who: (a) is a director or officer of the Corporation or Inolife or is proposed to be a director or officer of the Resulting Issuer; (b) at any time during the most recently completed financial year of the Corporation or Inolife was, a director or officer of the Corporation or Inolife; or (c) is an Associate of any of the foregoing, is either: (a) indebted to the Corporation or Inolife or a subsidiary of either the Corporation or Inolife; or (b) indebted to another entity with such indebtedness being the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or Inolife or subsidiary of either the Corporation or Inolife, as at the day of the Prospectus.

INTERESTS OF PROPOSED MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Prospectus, none of the directors or executive officers of Inolife, or persons or companies that beneficially own, or control or direct, directly or indirectly, more than 10% of the outstanding Inolife Shares, or any Associate or Affiliate of any of the foregoing, has any material interest, direct or indirect, in any transactions in which Inolife has participated within the three years before the date of this Prospectus, which has materially affected or is reasonably expected to materially affect Inolife.

MARKET FOR SECURITIES

The outstanding Common Shares are listed on the TSXV under the trading symbol "BZBZ.P". Upon Completion of the Transaction, it is expected that the Resulting Issuer will apply and change its trading symbol to "NGMD" following approval of the Name Change from "BuzBuz Capital Corp." to "NuGen Medical Devices Inc.".

As of the date of this Prospectus, no public market exists for the Inolife Shares.

ESCROWED SECURITIES

A number of the RI Shares will be subject to escrow pursuant to the policies of the Exchange.

CPC Escrow Agreement

The following table sets out, as at the date of this Prospectus, the number and percentage of CPC Escrow Shares held in escrow under the CPC Escrow Agreement prior to the Completion of the Transaction, and the number and percentage of RI Shares that will be held in escrow after the Completion of the Transaction:

Name and Municipality of Residence of Securityholder	After Giving Effect to the Transaction ⁽¹⁾		
	Designation of class	Number of RI Shares to be held in escrow	Percentage of class ⁽²⁾
Richard Buzbuzian Toronto, Ontario	RI Shares	750,000	0.86%
Anthony Di Benedetto Woodbridge, Ontario	RI Shares	750,000	0.86%
Jason Monaco Kleinburg, Ontario	RI Shares	750,000	0.86%
Robert Suttie Toronto, Ontario	RI Shares	150,000	0.17%
2599584 Ontario Inc. Toronto, Ontario	RI Shares	375,000	0.43%
Fortius Research and Trading Corp. Toronto, Ontario	RI Shares	407,500	0.46%
Danny Gravelle Laguna Niguel, California	RI Shares	200,000	0.23%
Roberto Montemarano Toronto, Ontario	RI Shares	150,000	0.17%
	Total:	3,532,500	

Notes:

(1) On a post consolidated basis following completion of the Inolife Consolidation and the Buz Consolidation.

(2) The percentages in the table above are based on a non-diluted basis of the RI Shares and assuming conversion of the 11,605,000 Inolife Sub-Receipts into RI Shares.

As at the date hereof and assuming completion of the Buz Consolidation, there are 3,532,500 CPC Escrow Shares held in escrow, representing 4.03% of the total issued and outstanding RI Shares prior to the Completion of the Transaction. All of the CPC Escrow Shares are escrowed pursuant to the CPC Escrow Agreement. Buz Shareholders having approved certain amendments to the CPC Escrow Agreement at the Buz Meeting, 25% of the CPC Escrow Shares will be released from escrow on the issuance of the Final Exchange Bulletin and an additional 25% will be released on each of the dates that are 6, 12 and 18, months thereafter.

% of Common Shares Released from Escrow	Release Date
Tier 1 Issuer – CPC Escrow Shares	
25%	Date of Final Exchange Bulletin
25%	6 months from Final Exchange Bulletin
25%	12 months from Final Exchange Bulletin
25%	18 months from Final Exchange Bulletin

Surplus Securities

Pursuant to the policies of the Exchange and in addition to the CPC Escrow Shares, certain securities held by Principals of the Resulting Issuer after giving effect to the Transaction will be considered "Surplus Securities" (as such term is defined in TSXV Policy 5.4), to be held in escrow pursuant to the Surplus and Value Securities Escrow Agreement and released in accordance with the following escrow release schedule:

% of Common Shares Released from Escrow	Release Date
Tier 2 Issuer – Surplus	
5%	Date of Final Exchange Bulletin
5%	6 months from Final Exchange Bulletin
10%	12 months from Final Exchange Bulletin
10%	18 months from Final Exchange Bulletin
15%	24 months from Final Exchange Bulletin
15%	30 months from Final Exchange Bulletin
40%	36 months from Final Exchange Bulletin

The following table sets out, the name and municipality of residence of each of the holders of RI Shares whose RI Shares will be subject to the above "Surplus Securities" release schedule pursuant to the Surplus and Value Securities Escrow Agreement:

Name and Municipality of Residence of Securityholder	Designation of class	Number of RI Shares to be held in escrow ⁽¹⁾	Percentage of class ⁽²⁾
Michael Wright Montreal, Quebec	RI Shares	5,033,333 ⁽³⁾	5.74%
John Leombruno Mississauga, Ontario	RI Shares	5,285,714 ⁽⁴⁾	6.03%
Karen Dunlap LaQuinta, CA, USA	RI Shares	50,000	0.06%
Michael Wekerle Caledon, Ontario	RI Shares	1,125,000	1.28%
Care4Pharma	RI Shares	6,666,667	7.60%
TOTAL:		18,160,714	

Notes:

(1) On a post consolidated basis following completion of the Inolife Consolidation and the Buz Consolidation.

- (2) The percentages in the table above are based on a non-diluted basis of the RI Shares and assuming conversion of the 11,605,000 Inolife Sub-Receipts into RI Shares.
- (3) Including 966,666 share held directly by Michael Wright, 3,733,333 shares held by N3GU Investments L.P., a limited partnership controlled by Michael Wright and 333,333 shares held directly by Michael Wright's spouse, Annabelle Gauthier.
- (4) Shares held by 2134255 Ontario Inc., a privately held company controlled by John Leombruno

Seed Share Resale Restrictions

Pursuant to TSXV Policy 5.4, certain Non-Principal shareholders of RI Shares will be subject to seed share resale restrictions ("SSRR"), which are Exchange hold periods of various lengths applicable to Non-Principal shareholders. The terms of the SSRRs are based on the length of time such RI Shares have been held and the price at which such RI Shares were originally issued. There are 22 Non-Principal shareholders of RI Shares who will hold an aggregate of 7,908,333 RI Shares that will be subject to Surplus and Value Securities Escrow Agreement.

All RI Shares will be freely tradeable following Completion of the Transaction, other than the RI Shares subject to the CPC Escrow Agreement and the Surplus and Value Securities Escrow Agreement, respectively.

RISK FACTORS

An investment in the Resulting Issuer is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this document, before making any decision to invest in the Resulting Issuer. The directors of the Resulting Issuer consider the following risks and other factors to be the most significant for potential investors in the Resulting Issuer, but the risks listed do not necessarily comprise all those associated with an investment in the Resulting Issuer and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the directors of the Resulting Issuer may also have an adverse effect on the business of the Resulting Issuer.

Limited Operating History

The business operations of the Resulting Issuer is not producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from commercialization of its products. The Resulting Issuer has not earned profits to date and there is no assurance that it will do so in the future. Significant capital investment will be required to achieve commercial production and distribution of its medical devices. The Resulting Issuer's business operations are at an early stage of development and its success will be largely dependent upon its ability to successfully market and promote and commercialize its products. There is no assurance that the Resulting Issuer will be able to raise the required funds to continue these activities.

Execution of Business Plan

The execution of the Resulting Issuer's business plan, including its business objectives and milestones described in this Prospectus, poses many challenges and is based on a number of assumptions. The Resulting Issuer may not be able to successfully execute its business plan or accomplish its business objectives and milestones. If the Resulting Issuer experiences significant cost overruns on its programs, or if its business plan is more costly than it anticipates, certain research and development activities may be delayed or eliminated, resulting in changes or delays to its commercialization plans, or the Resulting Issuer may be compelled to secure additional funding (which may or may not be available) to execute its business plan. The Resulting Issuer cannot predict with certainty its future revenues or results from its operations. If the assumptions on which its revenues or expenditures forecasts are based change, the benefits of the Resulting Issuer's business plan may change as well. In addition, the Resulting Issuer may consider expanding its business beyond what is currently contemplated in its business plan. Depending on the financing requirements of a potential acquisition or new product opportunity, the Resulting Issuer may be required to raise additional capital through the issuance of equity or debt. If the Resulting Issuer is unable to raise additional capital on acceptable terms, it may be unable to pursue a potential acquisition or new product opportunity.

Currently, the Resulting Issuer has no history of profitable operations or material revenue. As such, the Resulting Issuer is subject to many risks including under-capitalization, cash shortages, and limitations with respect to personnel, financial, and other resources.

Uncertainty in Increasing Production Capacity

The Resulting Issuer plans to increase production capacity in Year 2. However, if consumer demand is lower than forecast, the Resulting Issuer might delay or cancel its plan to increase production capacity. The Resulting Issuer's ability to accurately forecast demand for our products could be negatively affected by many factors, many of which are beyond our control, including failure to accurately manage our expansion strategy, product introductions by competitors, an increase or decrease in customer demand for our products or for products of our competitors, our failure to accurately forecast market acceptance of new products, changes in general market conditions, including as a result of the COVID-19 pandemic, regulatory matters or weakening of general economic conditions.

Research and Development Costs

The Resulting Issuer will have to conduct costly and time consuming research, pre-clinical and clinical testing necessary to obtain regulatory approvals and bringing its needle-free medicine administration technology and product candidates to market will require a commitment of substantial funds in excess of the current capital available. The future capital requirements of the Resulting Issuer will depend on many factors, including, among others:

- the progress of current and new product development programs;
- the progress, scope and results of pre-clinical and clinical testing;
- the time and cost involved in obtaining regulatory approvals;
- the cost of manufacturing the products and product candidates;
- the cost of prosecuting, enforcing and defending against patent infringement claims and other intellectual property rights;
- competing technological and market developments; and
- the ability and costs to establish and maintain collaborative and other arrangements with third parties to assist in potentially bringing the products to market.

The Resulting Issuer's failure to successfully address ongoing liquidity requirements would have a substantially negative impact on the business. If the Resulting Issuer is unable to obtain additional capital on acceptable terms when needed, it may need to take actions that adversely affect the business, the stock price and the ability to achieve cash flow in the future, including possibly surrendering rights to some technologies or product opportunities, delaying clinical trials or curtailing or ceasing operations.

Clinical Trials and Testing

Clinical testing is expensive and can take many years to complete, and its outcome is uncertain. Failure can occur at any time during the clinical trial process. The results of pre-clinical studies and early clinical trials of the Resulting Issuer's products may not be predictive of the results of later-stage clinical trials. Results from one study may not be reflected or supported by the results of similar studies. Results of an animal study may not be indicative of results achievable in human studies. Human-use equipment and product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through pre-clinical studies and initial clinical testing. The time required to obtain approval by the regulatory authorities is unpredictable but typically takes many years following the commencement of clinical trials, depending upon numerous factors. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change.

In addition, ongoing clinical trials may not be completed on schedule, or at all. The commencement and completion of clinical trials can be delayed for a number of reasons. Clinical trials may also be delayed as a result of ambiguous or negative interim results. In addition, a clinical trial may be suspended or terminated by the Resulting Issuer, the medical and ethical regulatory bodies, any of the clinical trial sites with respect to that site, or other regulatory

authorities due to a number of factors. Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of a product candidate. Further, delays in the commencement or completion of clinical trials may adversely affect the trading price of the RI Shares.

Regulatory Approvals and Agencies

Even if regulatory approval is obtained, a regulatory agency may still impose significant restrictions on a product's indicated uses or marketing or impose ongoing requirements for potentially costly post approval studies. The products of the Resulting Issuer will also be subject to ongoing requirements governing the labeling, packaging, storage, advertising, promotion, record keeping and submission of safety and other post market information. In addition, manufacturers of drug products and their facilities may be subject to continual review and periodic inspections by the regulatory authorities for compliance with current good manufacturing practices regulations. If the Resulting Issuer or a regulatory agency discover previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured, a regulatory agency may impose restrictions on that product, the manufacturer or us, including requiring withdrawal of the product from the market or suspension of manufacturing. If the Resulting Issuer, the product candidates or the manufacturing facilities for such product candidates fail to comply with applicable regulatory requirements, a regulatory agency may: issue warning letters or untitled letters; impose civil or criminal penalties; suspend regulatory approval; suspend any ongoing clinical trials; refuse to approve pending applications or supplements to applications filed by the Resulting Issuer; impose restrictions on operations; or seize or detain products or require a product recall.

Approval Procedures in other Countries

Approval procedures vary among countries and can involve additional product testing and additional administrative review periods. The time required to obtain approval in other countries might differ from that required to obtain Health Canada and FDA clearance or approval. The regulatory approval process in other countries may include all of the risks detailed above regarding clearance or approval as well as other risks. Regulatory approval in one country does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory process in others. Failure to obtain regulatory approval in other countries or any delay or setback in obtaining such approval could have the same adverse effects detailed. Such effects include the risks that the product candidates may not be approved for all indications requested, which could limit the uses of the product candidates and have an adverse effect on their commercial potential or require costly, post-marketing follow-up studies.

Product Liability

The use of Inojex and Nanojex equipment and product candidates in clinical trials and the sale of any products for which the Resulting Issuer may obtain marketing approval can expose the company to the risk of product liability claims. Product liability claims might be brought against the Resulting Issuer by consumers, health care providers, pharmaceutical companies or others selling or otherwise coming into contact with its products. For example, pharmaceutical companies have been subject to claims that the use of some pediatric vaccines has caused personal injuries, including brain damage, central nervous system damage and autism, and these companies have incurred material costs to defend these claims. If the Resulting Issuer cannot successfully defend itself against product liability claims, the Resulting Issuer could incur substantial liabilities. In addition, regardless of merit or eventual outcome, product liability claims may result in: decreased demand for the product candidates; impairment of the Resulting Issuer's business reputation; withdrawal of clinical trial participants; costs of related litigation; distraction of management's attention from the company's primary business; substantial monetary awards to patients or other claimants; loss of revenues; and inability to commercialize the products.

The Resulting Issuer has obtained product liability insurance coverage for the clinical trials, but the insurance coverage may not be sufficient to reimburse the Resulting Issuer for any expenses or losses it may suffer. Moreover, insurance coverage is becoming increasingly expensive, and, in the future, the Resulting Issuer may not be able to maintain adequate insurance coverage at a reasonable cost or in sufficient amounts to protect itself against losses due to liability. On occasion, large judgments have been awarded in class action lawsuits based on products that had unanticipated

side effects. A successful product liability claim or series of claims brought against the Resulting Issuer could cause its stock price to decline and, if judgments exceed the insurance coverage, could adversely affect its business.

Additional Requirements for Capital

Substantial additional financing will be required if the Resulting Issuer is to be successful in pursuing its development as set out in the business plan. No assurances can be given that the Resulting Issuer will be able to raise the additional capital that it may require for its anticipated future operations. Revenues, taxes, transportation costs, capital expenditures, operating expenses, research and development expenditures and the political environment are all factors which will have an impact on the amount of additional capital that may be required. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Resulting Issuer, if at all. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, incur financial penalties, or reduce or terminate its operations.

Lack of Operating Cash Flow

The Resulting Issuer currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Resulting Issuer's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations.

Management's Discretion over the Uses of Funds and any Unallocated Amounts

Management and the Board of the Resulting Issuer will have broad discretion in the uses of funds and any new investment capital we may obtain in the future, and may elect to allocate available funds differently from that described under "Uses of Funds" if management and Board believe it would be in the best interests of the Resulting Issuer to do so. Because of the number and variety of factors that could determine our uses of funds, our ultimate expenditure of funds (and their uses) may vary substantially from our current intended operating plan for such funds. The Resulting Issuer intends to use existing working capital and future funding to support the development of our products and services, the expansion of our marketing, or the support of operations. The Resulting Issuer will also use capital for market and network expansion, acquisitions, and general working capital purposes. However, the Resulting Issuer does not have more specific plans for the use and expenditure of unallocated amounts. The Resulting Issuer may apply working capital and future funding to uses that ultimately do not improve the Resulting Issuer's operating results or increase the value of the Resulting Issuer's securities.

Market Acceptance of the Products

The commercial success of the Inojex and Nanojex equipment and product candidates for which the Resulting Issuer has obtained marketing approval from the regulatory authorities will depend upon the acceptance of these products by both the medical community and patient population. Coverage and reimbursement of the product candidates by third-party payors, including government payors, generally is also necessary for optimal commercial success. The degree of market acceptance of any of the approved products will depend on a number of factors, including the Resulting Issuer's ability to provide acceptable evidence of safety and efficacy; the relative convenience and ease of administration; the prevalence and severity of any actual or perceived adverse side effects; limitations or warnings contained in a product's approved labeling; pricing and cost effectiveness; and the willingness of patients to pay out of pocket in the absence of third-party coverage. If the Inojex and Nanojex equipment and product candidates are approved but do not achieve an adequate level of acceptance by physicians, health care payors and patients, the Resulting Issuer may not generate sufficient revenue from these products, and the Resulting Issuer may not become or remain profitable. In addition, the efforts to educate the medical community and third-party payors on the benefits of the product candidates may require significant resources and may never be successful.

Acquisition, Development and Commercialization of Additional Product Candidates

The success of acquiring, developing and commercializing additional products or product candidates depends partly upon the ability of the Resulting Issuer to identify, select and acquire promising product candidates and products. The

process of proposing, negotiating and implementing a license or acquisition of a product candidate or approved product is lengthy and complex. Other companies, including some with substantially greater financial, marketing and sales resources, may compete with us for the license or acquisition of product candidates and approved products. The Resulting Issuer will have limited resources to identify and execute the acquisition or in-licensing of third-party products, businesses and technologies and integrate them into its current infrastructure. Moreover, the Resulting Issuer may devote resources to potential acquisitions or in-licensing opportunities that are never completed, or the Resulting Issuer may fail to realize the anticipated benefits of such efforts. The Resulting Issuer may not be able to acquire the rights to additional product candidates on terms that it finds acceptable, or at all.

Further, any product candidate that the Resulting Issuer acquires may require additional development efforts prior to commercial sale, including extensive clinical testing and approval by the applicable regulatory authorities. All product candidates are prone to risks of failure typical of product development, including the possibility that a product candidate will not be shown to be sufficiently safe and effective for approval by regulatory authorities.

Attraction and Retention of Qualified Personnel

The Resulting Issuer has a small management team and the loss of any key individual could affect the Resulting Issuer's business. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Resulting Issuer.

The Resulting Issuer's success depends to a significant extent on its ability to identify, attract, hire, train and retain qualified personnel. Competition for such personnel may be intense and there can be no assurance that the Resulting Issuer will be successful in identifying, attracting, hiring, training and retaining such personnel in the future. If the Resulting Issuer is unable to identify, attract, hire, train and retain qualified personnel in the future, such inability could have a material adverse effect on its business, operating results and financial condition.

Competition

Some of the competitors and potential competitors have substantially greater product development capabilities and financial, scientific, marketing and human resources than the Resulting Issuer. Competitors may develop products earlier, obtain regulatory clearance or approval for products more rapidly, or develop products that are more effective than those under development by the Resulting Issuer. The Resulting Issuer will seek to expand its technological capabilities to remain competitive; however, research and development by others may render its technologies or products obsolete or non-competitive, or result in superior treatments or cures.

Competitors and potential competitors include large pharmaceutical and medical device companies and more established biotechnology companies. These companies have significantly greater financial and other resources and greater expertise than the Resulting Issuer in research and development, securing government contracts and grants to support research and development efforts, manufacturing, pre-clinical and clinical testing, obtaining regulatory approvals and marketing. Many of these competitors operate large, well-funded research and development programs and have significant products approved or in development. Small companies may also prove to be significant competitors, particularly through collaborative arrangements with large pharmaceutical companies or through acquisition or development of intellectual property rights. Potential competitors also include academic institutions, governmental agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for product and clinical development and marketing. Research and development by others may seek to render the Resulting Issuer's technologies or products obsolete or non-competitive.

Collaborators, Partners and Manufacturers

The Resulting Issuer will have entered into, or may enter into, distribution, co-promotion, partnership, sponsored research and other arrangements for development, manufacturing, sales, marketing and other commercialization activities relating to the products of the Resulting Issuer. If any of the current or future collaborators breaches or terminates their agreements, or fails to conduct themselves in a collaborative and timely manner, the commercialization of products could be diminished or blocked completely.

Disputes could also arise between the Resulting Issuer and existing or future collaborators, as to a variety of matters, including financial and intellectual property matters or other obligations. These disputes could be both expensive and time-consuming and may result in delays in the development and commercialization of the products of the Resulting Issuer or could damage the relationship with such collaborator or partner.

The Resulting Issuer manufactures some components of the Inojex and Nanojex systems and utilizes the services of contract manufacturers to manufacture the remaining components of these systems and the product supplies for clinical trials. The manufacture of the systems and product supplies requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Manufacturers often encounter difficulties in production, particularly in scaling up for commercial production. These problems include difficulties with production costs and yields, quality control, including stability of the equipment and product candidates and quality assurance testing, shortages of qualified personnel, as well as compliance with strictly enforced applicable regulations.

If the Resulting Issuer or the manufacturers were to encounter any of these difficulties, the ability of the Resulting Issuer to provide the Inojex and Nanojex systems and equipment to partners and products to patients in clinical trials or to commercially launch a product could be jeopardized.

In addition, all manufacturers of the Resulting Issuer's products must comply with requirements enforced by the regulatory authorities such as, among other things, quality control, quality assurance and the generation and maintenance of records and documentation. The Resulting Issuer has little control over its manufacturers' compliance with these regulations and standards. A failure to comply with these requirements may result in fines and civil penalties, suspension of production, suspension or delay in product approval, product seizure or recall, or withdrawal of product approval.

If the safety of any product is compromised due to the Resulting Issuer or its manufacturers' failure to adhere to applicable laws or for other reasons, the Resulting Issuer may not be able to obtain regulatory approval for or successfully commercialize the products, and the Resulting Issuer may be held liable for any injuries sustained as a result. Furthermore, if the manufacturers fail to deliver the required commercial quantities on a timely basis, pursuant to provided specifications and at commercially reasonable prices, the Resulting Issuer may be unable to meet demand for the products and would lose potential revenues.

Intellectual Property Related Risks

The commercial success of the Resulting Issuer will depend in part on obtaining and maintaining patent, trademark, trade secret, and other intellectual property protection relating to the Inojex and Nanojex equipment and product candidates, as well as successfully defending these intellectual property rights against third party challenges.

The patent positions of pharmaceutical and biotechnology companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. The laws and regulations regarding the breadth of claims allowed in biotechnology patents has evolved over recent years and continues to undergo review and revision, both in the United States and Canada. The biotechnology patent situation outside those countries can be even more uncertain depending on the country. Changes in either the patent laws or in interpretations of patent laws in the United States and Canada and other countries may diminish the value of the intellectual property owned by the Resulting Issuer. The degree of future protection for the intellectual property rights of the Resulting Issuer is uncertain, because legal decision making can be unpredictable, thereby often times resulting in limited protection, which may not adequately protect the rights of the Resulting Issuer or to allow it to gain or keep its competitive advantage, or resulting in an invalid or unenforceable patent.

The Resulting Issuer depends, in part, on licensors and collaborators to protect a portion of its intellectual property rights. In such cases, licensors and collaborators of the Resulting Issuer may be primarily or wholly responsible for the maintenance of patents and prosecution of patent applications relating to important areas of its business. If any of these parties fail to adequately protect these products with issued patents, the Resulting Issuer's business and prospects would be harmed significantly. The Resulting Issuer also may rely on trade secrets to protect its technology, especially where it does not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. Although the Resulting Issuer will use reasonable efforts to protect its trade secrets, its employees, consultants,

contractors, outside scientific collaborators and other advisors may unintentionally or willfully disclose trade secrets to competitors. Enforcing a claim that a third-party entity illegally obtained and is using any of the trade secrets of the Resulting Issuer is expensive and time consuming, and the outcome is unpredictable.

If the Resulting Issuer or its licensors fail to obtain or maintain patent protection or trade secret protection for the product candidates or the technologies, third parties could use said proprietary information, which could impair the Resulting Issuer's ability to compete in the market and adversely affect its ability to generate revenues and attain profitability.

Infringement of Intellectual Property Rights

Other companies may have or may acquire intellectual property rights that could be enforced against the Resulting Issuer. If they do so, the Resulting Issuer may be required to alter its technologies, pay licensing fees or cease activities. If the products or technologies infringe the intellectual property rights of others, they could bring legal action against the Resulting Issuer or its licensors or collaborators claiming damages and seeking to enjoin any activities that they believe infringe their intellectual property rights.

Because patent applications can take many years to issue, and there is a period when the application remains undisclosed to the public, there may be currently pending applications unknown to the Resulting Issuer or reissue applications that may later result in issued patents upon which the products or technologies may infringe. There could also be existing patents of which the Resulting Issuer is unaware that its products or technologies may infringe. In addition, if third parties file patent applications or obtain patents claiming products or technologies also claimed by the Resulting Issuer in pending applications or issued patents, the Resulting Issuer may have to participate in interference or derivation proceedings in the United States Patent and Trademark Office to determine priority or derivation of the invention. If third parties file oppositions in foreign countries, the Resulting Issuer may also have to participate in opposition proceedings in foreign tribunals to defend the patentability of its filed foreign patent applications. If a third party claims that the Resulting Issuer infringes its intellectual property rights, it could cause the business of the Resulting Issuer to suffer in a number of ways and the market price of the RI Shares may decline.

Market Risk for Securities

There can be no assurance that an active trading market for the RI Shares will be established and sustained. Upon listing, the market price for the RI Shares could be subject to wide fluctuations. Factors such as government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Resulting Issuer's securities.

The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Smaller Companies

The share price of publicly traded smaller companies can be highly volatile. The value of the RI Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the RI Shares.

Conflicts of Interest

Certain of the directors and officers of the Resulting Issuer will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including medical devices companies) and, as a result of these and other activities, such directors and officers of the Resulting Issuer may become subject to conflicts of interest. The OBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the Resulting Issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the OBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the OBCA. To the proposed management of the Resulting Issuer's knowledge, as

at the date hereof there are no existing or potential material conflicts of interest between the Resulting Issuer and a proposed director or officer of the Resulting Issuer except as otherwise disclosed herein.

Increased costs and demands upon management as a public company

As a public company, the Resulting Issuer will incur significant legal, accounting, investor relations and other expenses that it did not incur as a private company, including costs associated with the increased reporting requirements that apply to public companies. The Resulting Issuer expects these rules and regulations to increase its legal and financial compliance costs substantially and to make some activities more time-consuming and costly.

In particular, these new obligations will require substantial attention from the Resulting Issuer's management team and could divert their attention away from the day-to-day management of the Resulting Issuer's business.

Dilution as a result of future sales or issuances of securities

We may issue additional securities in subsequent equity financings to finance operations, acquisitions or other projects. Our articles permit the issuance of an unlimited number of Common Shares. Moreover, we may issue additional Common Shares on the exercise of stock options under the New Stock Option Plan. We cannot predict the size of future issuances of securities or the effect, if any, that such future issuances of securities will have on the market price of the Common Shares. Our directors have discretion to determine the price and the terms of further issuances. Issuances of a substantial number of securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional issuance of Common Shares (including securities convertible into Common Shares), investors will suffer dilution of their voting power and may experience dilution in the Resulting Issuer's earnings per share.

Risks related to doing business internationally

The Resulting Issuer is subject to risks generally associated with doing business in international markets. International markets will be a focus for expansion and revenue growth for the Resulting Issuer. Several factors, including legal and regulatory compliance and weakened economic conditions in any of the international jurisdictions in which the Resulting Issuer does or will do business, could adversely affect our expansion and growth.

Some of the countries in which the Resulting Issuer sells or will sell products, or otherwise has or will have an international presence, are to some degree subject to political, economic, and/or social instability. International business operations expose the Resulting Issuer to risks and expenses inherent in operating or selling products in foreign jurisdictions, and in developing and emerging markets in particular, where these risks may be heightened.

In addition to the risks mentioned elsewhere, these risks and expenses could have a material adverse effect on the Resulting Issuer's business, results of operations or financial condition and include without limitation:

- adverse currency rate fluctuations, as described in more detail under *"Inflation in emerging markets, along with governmental measures to combat inflation, may have a significant negative effect on local economies and also on the Resulting Issuer's financial condition and results of operations"* below;
- risks associated with complying with laws and regulations in the countries in which the Resulting Issuer's products are sold, and requirements to apply for and obtain licenses, permits or other approvals and the delays associated with obtaining such licenses, permits or other approvals;
- multiple, changing and often inconsistent enforcement of laws, rules and regulations;
- risks associated with reliance on international agents and representatives, including the possible failure of such agents and representatives to appropriately understand, represent and effectively market the Resulting Issuer's products;

- the imposition of additional foreign governmental controls or regulations, new or enhanced trade restrictions or non-tariff barriers to trade, or restrictions on the activities of foreign agents, representatives and distributors;
- increases in taxes, tariffs, customs and duties, or costs associated with compliance with import and export licensing and other compliance requirements;
- the imposition of restrictions on trade, currency conversion or the transfer of funds or limitations on the Resulting Issuer's ability to repatriate non-Canadian earnings in a tax effective manner;
- the imposition of Canadian, United States, EU and/or other international sanctions against a country, company, person or entity with whom the Resulting Issuer does business that would restricts or prohibits the Resulting Issuer's continued business with the sanctioned country, company, person or entity;
- downward pricing pressure on our products in the Resulting Issuer's international markets, due to competitive factors or otherwise;
- laws and business practices favouring local companies;
- political, social or economic unrest or instability, including without limitation military conflicts and acts of terrorism, military repression, war or civil war, social and labour unrest, organized crime, hostage-taking and violent crime;
- expropriation and nationalization and/or renegotiation or nullification of necessary licenses, approvals, permits and contracts;
- greater risk on credit terms, longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems;
- difficulties in enforcing or defending intellectual property rights; and
- the effect of disruptions caused by severe weather, natural disasters, outbreak of disease or other events that make travel to a particular region less attractive or more difficult.

Governments in certain foreign jurisdictions intervene in their economies, sometimes frequently, and occasionally make significant changes in policies and regulations. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on doing business, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of concessions, licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety.

Risks related to doing business in China

Conditions in China

A portion of the Resulting Issuer's operations (including manufacturing) are carried out in China. Accordingly, the Resulting Issuer's business, financial condition and financial performance may be influenced by the political, economic and legal environments in China, and by the general state of the Chinese economy. The Resulting Issuer's business may be influenced by changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation, among other things.

The Chinese government imposes controls on the convertibility of Renminbi ("RMB") into foreign currencies and, in certain cases, the remittance of currency out of China. The Resulting Issuer anticipates that in future a portion of its revenues will be in RMB, which is currently not a freely convertible currency. Under existing Chinese foreign exchange regulations, payment of current account items, including profit distributions, interest payments and

expenditures, can be made in foreign currencies without prior approval from the China State Administration of Foreign Exchange by complying with certain procedural requirements. However, approval from appropriate governmental authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital account items, such as the repayment of loans denominated in foreign currencies. The Chinese government may also at its discretion restrict access in the future to foreign currencies for current account transactions.

The Chinese legal system is a system based on written statutes. They are interpreted by the Supreme Peoples' Court and prior court decisions may be cited for reference. Since 1979, the Chinese government has been developing a comprehensive system of commercial laws, and considerable progress has been made in introducing laws and regulations dealing with economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade. However, because these laws and regulations are relatively new, and because of the limited volume of published cases and their non-binding nature, the interpretation and enforcement of these laws and regulations involve uncertainties. This may result in the outcome of dispute resolutions not being consistent or predictable as compared to more developed jurisdictions. Furthermore, laws and regulations may have a retroactive effect such that the Resulting Issuer is not aware of any violation by it until sometime after the violation has occurred. As the Chinese legal system develops, changes in such laws and regulations, their interpretation, or their enforcement, may have a material effect on the Resulting Issuer.

Intellectual property rights in China are still developing and there are uncertainties involved in intellectual property rights protection and the enforcement of such protection. The Resulting Issuer must pay special attention to protecting its intellectual property and trade secrets. Failure to do so could lead to the loss of a competitive advantage that may not be compensated for by a damages award.

In China, companies with a foreign ownership component could be required to work within a framework which is different from that imposed on local companies. The Chinese government is opening up opportunities for foreign investment and this process is expected to continue, especially as a result of China's entry into the World Trade Organization. If the Chinese government reverses the current trend of permitting foreign investment and imposes greater restrictions on foreign companies, the Resulting Issuer's ability to conduct business in China could be negatively affected.

Changes, if any, in investment policies or shifts in political attitude in China may adversely affect the Resulting Issuer's business, results of operations and financial condition. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, income taxes, foreign investment, bank lending, export controls, and usage and costs of state-controlled transportation services and nationalization or expropriation of property or business. Any events resulting in an adverse impact on the Chinese economy may have an adverse effect on the Resulting Issuer's profitability and prospects.

The economy of China has experienced significant growth in the past 20 years, however, growth has been uneven, both geographically and among various sectors of the economy. The Chinese government has implemented various measures from time to time in order to try and encourage or control economic growth and guide the allocation of resources, including certain measures which were put in place to restrict bank lending. Some of these measures may negatively affect the Resulting Issuer. In addition, such control measures may have a general adverse impact on the Chinese economy that would, in turn, likely have an adverse impact on the Resulting Issuer's business, results of operations and financial condition. Rapid economic growth can lead to growth in the supply of money and rising inflation. If the Resulting Issuer's costs rise disproportionately to its product prices, the Resulting Issuer's business may be materially and adversely affected.

Permits and Business Licenses

EPG Shenzhen holds various permits, business licenses and approvals authorizing their operations and activities, which are subject to periodic review and reassessment by the Chinese authorities. Standards of compliance necessary to pass such reviews change from time to time and differ from jurisdiction to jurisdiction, leading to a degree of uncertainty. If renewals, or new permits, business licenses or approvals required in connection with existing or new facilities or activities, are not granted or are delayed, or if existing permits, business licenses or approvals are revoked or substantially modified, the Resulting Issuer could suffer a material adverse effect. If new standards are applied to renewals or new applications, it could prove costly to the Resulting Issuer to meet any new level of compliance.

Misuse of Shenzhen Chops

Under Chinese laws, in the event a chop is lost, stolen or misplaced, the legal representative will: (i) cause the company who owned the lost chop in China to publish an announcement of the loss of chops in designated newspapers; (ii) apply to the local Public Security Bureau for the carving of new chops; and (iii) carve the new chops at places designated by the Public Security Bureau. As the chop replacement process would take approximately five business days, there can be no assurance that there would be no adverse effect on the business, results of operations or financial condition of the Resulting Issuer due to such disruptions of business.

The Shenzhen Chops are essential to EPG Shenzhen's ability to enter into contracts, conduct banking activities and undertake day-to-day corporate and business activities. Although the Resulting Issuer has implemented such internal control procedures as it feels necessary to monitor the authorized personnel and the use of the Shenzhen Chops, there is no assurance that such procedures will prevent all instances of abuse or negligence. Accordingly, if any of EPG Shenzhen's authorized personnel misuse or misappropriate the chops, the Resulting Issuer could experience significant disruption to operations until the Shenzhen Chops are replaced.

If, in particular, during any period the Resulting Issuer loses effective control of EPG Shenzhen as a result of such misuse or misappropriation, the business activities and economic contribution of such entity could be severely disrupted and the Resulting Issuer may not be able to recover corporate assets that are sold or transferred out of the Resulting Issuer's control in the event of such misappropriation and the Resulting Issuer may not have the financial resources to recover such assets or take appropriate legal action. Funds will be sent to China to fund EPG Shenzhen's working capital requirements as and when needed, and in alignment with the Resulting Issuer's corporate controls for items ranging from working capital to research and development. The funds will be kept in a bank account at the Bank of China. The Resulting Issuer currently estimates that not more than CAD\$100,000 will be kept in China at any given time, except as may be related to inter-company loans received in excess of such amount in the ordinary course of business, to ensure that the Resulting Issuer is able to continue as a going concern should they need to recover corporate assets of EPG Shenzhen. In addition, while the Resulting Issuer has procedures in place with its banks in China such that no funds can be transferred with the use of the Finance Chop alone (as an authorized signature from either Michael Wright, the Resulting Issuer's Chief Executive Officer, or Nicky Canton, the Resulting Issuer's Chief Operating Officer, is also required), if the Resulting Issuer loses effective control of the Finance Chop, the legal representative will promptly notify the relevant bank that the Finance Chop has been lost, misplaced or stolen and if one of the authorized signatories is implicated, that such individual is no longer an authorized signatory. In addition, the Resulting issuer will be able to assume control over EPG Shenzhen's bank accounts through the combined use of the Company Chop and the Legal Representative Chop. Despite the foregoing, however, EPG Shenzhen may experience temporary delays in accessing bank accounts in China. This risk is significantly mitigated by the requirement for the signatures in conjunction with the use of the Finance Chop in banking matters.

See "Inolife – Emerging Markets Disclosure – Business and Operating Environment – China Chops".

Cost of Labour

The labour and employment market in China is dynamic. Labour costs in China have traditionally been significantly less than those in other more developed countries; however, such costs have begun to rise and there is no guarantee that they will not continue to rise. Any such increased cost could have an adverse effect on the Resulting Issuer as a result of manufacturing operations in China. Also, in the future, changes in the labour and employment market in China may be imposed or labour disputes may arise. Such events may increase costs of operation and affect the Resulting Issuer's business, results of operations and financial condition.

Enforcing Rights and Judgements in China

EPG Shenzhen is subject to Chinese company law and regulations. Company law in general and, in particular, provisions for the protection of shareholder's rights and access to information are less developed than those applicable to companies in some other countries. China does not have a treaty with Canada providing for the reciprocal recognition and enforcement of judgments of courts and as such, recognition and enforcement in China of judgments of a Canadian court in relation to any matter not subject to a binding arbitration provision may be difficult or

impossible. Investors may be effectively prevented from pursuing remedies against the Resulting Issuer under Canadian securities laws or otherwise.

See "Risk Factors - Investors' ability to exercise statutory rights and remedies under Canadian securities laws" and "Risk Factors - Difficulty in enforcement of judgments".

Risks associated with the development and expansion of business in emerging markets

The Resulting Issuer's business objectives involve the proposed expansion of its target market into emerging markets. Emerging markets have greater political and economic volatility and are far more susceptible to labour disruptions than established markets. This expansion presents challenges related to more volatile economic conditions, competition from companies that are already present in the market, the need to identify correctly and leverage appropriate opportunities for sales and marketing, poor protection of intellectual property, inadequate protection against crime (including counterfeiting, corruption and fraud), inadvertent breaches of local laws or regulations and difficulties in recruiting sufficient personnel with appropriate skills and experience.

The Resulting Issuer's China Operations and operations in other emerging markets are subject to political and other risks associated with operating in a foreign jurisdiction.

The Resulting Issuer will have operations in China and may have operations in additional emerging markets in the future. Changes, if any, in investment policies or shifts in political attitude in the countries in which the Resulting Issuer operates may adversely affect the Resulting Issuer's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of concessions, licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety. The Resulting Issuer will continue to monitor developments and policies in the emerging markets in which it will operate and assess the impact thereof to its operations; however, such developments cannot be accurately predicted and could have an adverse effect on the Resulting Issuer's operations or profitability.

Inflation in emerging markets, along with governmental measures to combat inflation, may have a significant negative effect on local economies and also on the Resulting Issuer's financial condition and results of operations.

In the past, high levels of inflation have adversely affected emerging economies and financial markets. Moreover, governmental measures to curb inflation and speculation contribute to the negative economic impact of inflation and could create general economic uncertainty. The emerging markets in which the Resulting Issuer operates or may operate may experience high levels of inflation in the future. Inflationary pressures may weaken investor confidence in such countries and lead to further government intervention in the economy. If countries in which the Resulting Issuer operates experience high levels of inflation in the future and/or price controls are imposed, the Resulting Issuer may not be able to adjust the rates the Resulting Issuer charges its customers to fully offset the impact of inflation on the Resulting Issuer's cost structures, which could adversely affect the Resulting Issuer's results of operations or financial condition.

The Resulting Issuer may be responsible for corruption and anti-bribery law violations.

The Resulting Issuer's business is subject to Canadian laws which generally prohibit companies and employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. In addition, the Resulting Issuer is subject to the anti-corruption and anti-bribery laws of any other countries in which it conducts business now or in the future. The Resulting Issuer's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Resulting Issuer's policies and procedures and anti-corruption and anti-bribery laws for which the Resulting Issuer may be held responsible. Although the Resulting Issuer has policies and procedures in place that are designed to promote legal and regulatory compliance, the employees, business partners and consultants of the Resulting Issuer could take actions that violate applicable anti-bribery and anti-corruption laws or regulations. Violations of these laws, or allegations of such violations, could result in loss,

reduction or expropriation and/or have a material adverse effect on the Resulting Issuer's business, results of operations or financial condition

Risks relating to auditor oversight

The Resulting Issuer's marketing plan and strategy involves expansion into select emerging markets in Middle East and Latin America. Expansion into select emerging markets could result in the use of component auditors that are not participating audit firms with the Canadian Public Accountability Board (CPAB), while public accounting firms that audit Canadian reporting issuers must participate in CPAB's oversight program. The work of a component auditor outside Canada can impact the execution of quality audits if the work is not executed in accordance with the group auditor's direction and carefully supervised and evaluated by the group auditor. CPAB's inspection activity of reporting issuers with foreign operations is often limited to engagement files accessible only in Canada as it currently has no legal means to compel access to work completed by component auditors. Without access to component auditor working papers in foreign jurisdictions, CPAB is restricted in fulfilling its mandate.

CPAB inspects selected high-risk sections of public accounting firm audit engagement files and evaluates the quality management systems of those firms. Investors should be concerned when foreign laws and regulations impede or reduce the level of auditor oversight that they have come to expect in Canada. Certain countries, including China and Mexico, continue to prevent CPAB from inspecting the audit work of Canadian public companies conducted in their jurisdictions. CPAB has Memorandums of Understanding (MOUs) with audit regulators in nine countries including the Netherlands, however, even with the MOU agreements currently in place, CPAB has no legal authority to compel cooperation from foreign audit regulators or component auditors.

Investors' ability to exercise statutory rights and remedies under Canadian securities laws

The Resulting Issuer is incorporated in the province of Ontario in Canada. However, the subsidiaries of the Resulting Issuer, EPG B.V., EPG Hong Kong and EPG Shenzhen are organized under the laws of jurisdictions outside of Canada and certain of the proposed officers and directors of the Resulting Issuer, Nicky Canton and Karen Dunlap, and certain officers of the Resulting Issuer's subsidiaries reside outside of Canada. Furthermore, the Resulting Issuer's marketing plan and strategy involves the expansion into select emerging markets in Middle East and Latin America. This may limit an investor's ability to exercise statutory rights and remedies under Canadian laws. In particular, a Canadian court may determine that it does not have jurisdiction over a claim by an investor against one of the Resulting Issuer's subsidiaries and/or its officers and directors, or that another international jurisdiction is the more convenient forum to adjudicate the claim.

Difficulty in enforcement of judgments

The Resulting Issuer has subsidiaries incorporated in China, Hong Kong and the Netherlands. Certain directors and officers, including the Resulting Issuer's Chief Operating Officer Nicky Canton and the Resulting Issuer's director Karen Dunlap, reside outside of Canada and substantially all of the assets of these persons are located outside of Canada. It may not be possible for shareholders to effect service of process against the Resulting Issuer's directors and officers who are not resident in Canada. In the event a judgment is obtained in Canada against one or more of our directors or officers for violations of Canadian securities laws or otherwise, it may not be possible to enforce such judgment against those directors and officers not resident in Canada.

Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims or otherwise in original actions instituted in China, Hong Kong, the Netherlands, Middle East or Latin America. Courts in these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws or otherwise on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a court in an international jurisdiction agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by the law in the relevant international jurisdiction.

Enforceability of the non-solicitation and non-competition clauses

The Resulting Issuer generally enters into non-competition agreements with its employees. These agreements prohibit the Resulting Issuer's employees from competing directly with the Resulting Issuer or working for the Resulting Issuer's competitors or clients for a limited period after they cease working for the Resulting Issuer. The Resulting Issuer may be unable to enforce these agreements under the laws of the jurisdictions in which the employees work and it may be difficult for the Resulting Issuer to restrict its competitors from benefiting from the expertise that the Resulting Issuer's former employees or consultants developed while working for the Resulting Issuer. If any of the Resulting Issuer's senior executives or key employees joins a competitor or forms a competing company, the Resulting Issuer may lose customers, know-how and key professionals and staff members to them, and the Resulting Issuer's revenues may be materially adversely affected. The Resulting Issuer's COO has signed an employment agreement that contains confidentiality, non-solicitation and non-competition provisions. However, if any dispute arises between the COO and the Resulting Issuer, such provisions may not be enforceable, as the COO resides and works outside of Canada.

Public health threats could have an adverse effect on our operations and financial results

Public health threats, such as the COVID-19 pandemic, could adversely affect our ongoing or planned research and development activities. The outbreak of COVID-19 has severely impacted global economic activity and caused significant volatility and negative pressure in financial markets. The global impact of the outbreak has been rapidly evolving and many countries, including Canada and China, have reacted by instituting quarantines, mandating business and school closures and restricting travel. In Guangdong province in southern China, an outbreak of COVID-19 has caused acute congestion at Yantian Port, causing shipments to be delayed, exacerbating tensions within global supply chains. As a result, the COVID-19 pandemic is negatively impacting almost every industry directly or indirectly. Shenzhen, where EPG Shenzhen is located, was locked down for less than 1 month and there was no big impact on EPG Shenzhen's operations. Staff has been working in the office for the entire 2020 except that 1 month of lockdown. However, travel to China has been difficult due to strict entry quarantine policy (2 weeks quarantine in government designated hotels) which is expected to remain in place through to July 2022. The due diligence with respect to the acquisition of EPG had to be partially completed remotely. Besides this restriction in travel, as everywhere else, business development is happening remotely, via ZOOM, TEAMS etc.

We cannot presently predict the scope and severity of any potential business shutdowns or disruptions, but if we or any of the third parties with whom we engage, including the suppliers, clinical trial sites, regulators and other third parties with whom we conduct business, were to experience shutdowns or other business disruptions, our ability to conduct our business in the manner and on the timelines presently planned could be materially and negatively impacted. Inolife experienced sales decline in 2020 as a result of the COVID-19 pandemic. Lockdowns around the globe meant distributors were not able to market and sell the product in the traditional way which seriously affected their ability to sell the product. For example, they were unable to visit hospitals, where they need to raise awareness of doctors and diabetes nurses of the benefits of InsuJet™. The entire healthcare systems' attention was focused on COVID-19 prevention and treatment, everything else was put on hold.

If the pandemic worsens or we experience additional waves of outbreak on a local, national or global scale, we may experience a multitude of additional disruptions that could severely impact our business, operations, clinical development activities and planned clinical trials, including without limitation, restrictions on our ability to engage in face-to-face essential business activities as well as marketing and public relations activities due to the health risks posed by such activities, the widespread cancellation of conferences and events targeting the medical devices and medical fields, restrictions on domestic and international travel, including travel bans and government imposed quarantines, delay in obtaining regulatory approvals, and restrictions and disruptions which could cause or continue to cause delays, may hinder our ability to timely distribute products and satisfy customer demand.

Risks related to Inolife's acquisition of EPG during the COVID-19 pandemic

With respect to Inolife's acquisition of EPG completed in June 2020 and the related due diligence process, please see *"Inolife – Business of Inolife – Share Purchase Agreement and Acquisition of EPG - Due Diligence Process"*. However, the COVID-19 pandemic and measures imposed in response to it, present potential risks that some

information may have not been fully assessed in the due diligence process. Additionally, some due diligence activities that may usually be undertaken such as in-person site visits have not been completed, or have been completed partially. There is no assurance that there will be no material adverse effect on the Resulting Issuer as a result.

Forward-looking information may prove inaccurate

The Resulting Issuer believes there is a reasonable basis for the forward-looking information but shareholders and prospective investors are cautioned not to place undue reliance on the Resulting Issuer's forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

AUDITORS, TRANSFER AGENT AND REGISTRAR

On Closing, the auditor of the Resulting Issuer will be MNP LLP, Chartered Professional Accountants, located at 1155, René-Lévesque Blvd. W, 23rd floor, Montreal, Quebec, H3B 2K2.

The Transfer Agent and Registrar for the RI Shares will be Computershare Investor Services Inc. at 100 University Ave., 8th Floor, Toronto, Ontario, M5J 2Y1.

MATERIAL CONTRACTS OF RESULTING ISSUER

The Business Combination Agreement dated October 1, 2020, between Buz and Inolife in connection with the Transaction (see "*The Proposed Qualifying Transaction*").

EXPERTS

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this Prospectus as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

- (a) D&H Group LLP, Chartered Professional Accountants, audited Buz Financial Statements for the period from incorporation (February 26, 2018) to December 31, 2018 and the years ended December 31, 2019 and 2020;
- (b) MNP LLP, Chartered Professional Accountants, audited the Inolife Financial Statements for the years ended December 31, 2018, 2019 and 2020; and
- (c) Franco La Posta, Chartered Professional Accountant, audited the financial statements of European Pharma Group B.V. for the year ended December 31, 2019 and the period from January 1, 2020 to June 4, 2020.

No person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Prospectus or as having prepared or certified a report or valuation described or included in this Prospectus holds any beneficial interest, direct or indirect, in any securities or property of the Corporation, Inolife, the Resulting Issuer or an Associate or Affiliate of the foregoing.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the province of Ontario provides purchasers with the right to withdraw from an agreement to purchase securities. In the province of Ontario, the securities legislation further provides a purchaser with remedies of rescission or damages, if this Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory, provided that the remedies for rescission, revisions of purchase price or damages are exercised by the purchaser within the time

limit prescribed for by the securities legislation of the purchaser's province. However, in light of the fact that this is a non-offering prospectus and no securities are being purchased under this Prospectus, these rights and their associated remedies are not available to holders of Common Shares prior to completion of the Proposed Qualifying Transaction, or holders of Resulting Issuer Shares after completion of the Proposed Qualifying Transaction.

OTHER MATERIAL FACTS

There are no other material facts relating to the Corporation, Inolife, the Resulting Issuer or the Proposed Qualifying Transaction that are not elsewhere disclosed herein.

APPENDIX "A"

AUDIT COMMITTEE CHARTER

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of NuGen Medical Device ("**NuGen**" or the "**Corporation**").

1. MANDATE

The Committee shall:

- (a) assist the Board in its oversight role with respect to the quality and integrity of the financial information;
- (b) assess the effectiveness of the Corporation's risk management and compliance practices;
- (c) assess the independent auditor's performance, qualifications and independence;
- (d) assess the performance of the Corporation's internal audit function;
- (e) ensure the Corporation's compliance with legal and regulatory requirements; and
- (f) prepare such reports of the Committee required to be included in any Management Information Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

2. COMPOSITION AND MEMBERSHIP

The committee shall be composed of not less than three members, each of whom shall be a director of the Corporation. A majority of the members of the Committee shall not be an officer or employee of the Corporation. All members shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities.

Each member of the Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

Members of the Committee shall be appointed or reappointed at the annual meeting of the Corporation and in the normal course of business will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a Director. The Board of Directors may fill a vacancy that occurs in the Committee at any time.

The Board of Directors or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the annual meeting of the Corporation a Chair among their number. The Chair shall not be a former Officer of the Corporation. Such Chair shall serve as a liaison between members and senior management.

The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members therefore provided that:

- (a) a quorum for meetings shall be at least three members;
- (b) the Committee shall meet at least quarterly;

- (c) notice of the time and place of every meeting shall be given in writing or by telephone, facsimile, email or other electronic communication to each member of the Committee at least 24 hours in advance of such meeting;
- (d) a resolution in writing signed by all directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

The Committee shall report to the Board of Directors on its activities after each of its meetings. The Committee shall review and assess the adequacy of this charter annually and, where necessary, will recommend changes to the Board of Directors for its approval. The Committee shall undertake and review with the Board of Directors an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the chairperson of the Committee or any other designated member of the Committee.

3. DUTIES AND RESPONSIBILITIES

3.1 Oversight of the Independent Auditor

- (a) Sole authority to appoint or replace the independent auditor (subject to shareholder ratification) and responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between Management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.
- (b) Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- (c) Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- (d) Obtain and review a report from the independent auditor at least annually regarding: the independent auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the independent auditor and the Corporation.
- (e) Review and discuss with Management and the independent auditor prior to the annual audit the scope, planning and staffing of the annual audit.
- (f) Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
- (g) Review as necessary policies for the Corporation's hiring of partners, employees or former partners and employees of the independent auditor.

3.2 Financial Reporting

- (a) Review and discuss with Management and the independent auditor the annual audited financial statements prior to the publication of earnings.

- (b) Review and discuss with Management the Corporation's annual and quarterly disclosures made in Management's Discussion and Analysis. The Committee shall approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation.
- (c) Review and discuss with Management and the independent auditor management's report on its assessment of internal controls over financial reporting and the independent auditor's attestation report on management's assessment.
- (d) Review and discuss with Management the Corporation's quarterly financial statements prior to the publication of earnings.
- (e) Review and discuss with Management and the independent auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies.
- (f) Review and discuss with Management and the independent auditor at least annually reports from the independent auditors on: critical accounting policies and practices to be used; significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.
- (g) Discuss with the independent auditor at least annually any "Management" or "internal control" letters issued or proposed to be issued by the independent auditor to the Corporation.
- (h) Review and discuss with Management and the independent auditor at least annually any significant changes to the Corporation's accounting principles and practices suggested by the independent auditor, internal audit personnel or Management.
- (i) Discuss with Management the Corporation's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.
- (j) Review and discuss with Management and the independent auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.
- (k) Review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the annual filings with applicable securities regulatory authorities.
- (l) Review disclosures made by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process for the annual filing with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving Management or other employees who have a significant role in the Corporation's internal controls.
- (m) Discuss with the Corporation's General Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any

material reports or inquiries received by the Corporation or any of its subsidiaries from regulators or governmental agencies.

3.3 Oversight of Risk Management

- (a) Review and approve periodically Management's risk philosophy and risk management policies.
- (b) Review with Management at least annually reports demonstrating compliance with risk management policies.
- (c) Review with Management the quality and competence of Management appointed to administer risk management policies.
- (d) Review reports from the independent auditor at least annually relating to the adequacy of the Corporation's risk management practices together with Management's responses.
- (e) Discuss with Management at least annually the Corporation's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.

3.4 Oversight of Regulatory Compliance

- (a) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- (b) Discuss with Management and the independent auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's financial statements or accounting.
- (c) Meet with the Corporation's regulators, according to applicable law.
- (d) Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

4. FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Committee. The Committee shall also have the authority to retain and, at Bitfarms Canada's expense, to set and pay the compensation for such other independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes. The Committee also has the authority to communicate directly with internal and external auditors.

5. PROCEDURES FOR RECEIPT OF COMPLAINTS AND SUBMISSIONS RELATING TO ACCOUNTING MATTERS

- (a) The Corporation shall inform employees on the Corporation's intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the "**Complaints Officer**") designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.

- (b) The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.
- (c) The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.
- (d) Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.
- (e) The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

6. PROCEDURES FOR APPROVAL OF NON-AUDIT SERVICES

- (a) The Corporation's external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
 - (i) bookkeeping or other services related to the Corporation's accounting records or financial statements;
 - (ii) financial information systems design and implementation;
 - (iii) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
 - (iv) actuarial services;
 - (v) internal audit outsourcing services;
 - (vi) management functions;
 - (vii) human resources;
 - (viii) broker or dealer, investment adviser or investment banking services;
 - (ix) legal services;
 - (x) expert services unrelated to the audit; and
 - (xi) any other service that the Canadian Public Accountability Board determines is impermissible.
- (b) In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
- (c) The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.

7. REPORTING

The Chair will report to the Board at each Board meeting on the Committee's activities since the last Board meeting. The Committee will annually review and approve the Committee's report for inclusion in the Annual Information Form. The Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.

8. ACCESS TO INFORMATION AND AUTHORITY

The Committee will be granted unrestricted access to all information regarding NuGen Medical Device Inc., that is necessary or desirable to fulfill its duties and all directors, officers and employees will be directed to cooperate as requested by Members.

9. REVIEW OF CHARTER

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

Dated: Month Day, Year

Approved by: Board of Directors

APPENDIX "B"

FINANCIAL STATEMENTS AND MD&A OF BUZBUZ CAPITAL CORP.

Find attached the audited financial statements and MD&A of Buz for years ended December 31, 2019 and 2020, and the unaudited interim financial statements and MD&A of Buz for the six months ended June 30, 2021.

Buzbuz Capital Corp.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)



Independent Auditor's Report

To the Shareholders of Buzbuz Capital Corp.

Opinion

We have audited the financial statements of Buzbuz Capital Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2020 and December 31, 2019, and the statements of loss and comprehensive loss, statements of changes in shareholders' equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and December 31, 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Gordon Cummings.

Vancouver, B.C.
April 30, 2021

"D&H Group LLP"

Chartered Professional Accountants

Buzbuz Capital Corp.
STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)

	December 31, 2020	December 31, 2019
Assets		
Current assets		
Cash	\$ 174,795	\$ 472,336
Deferred financing costs (Note 1)	40,025	-
Loan receivable (Note 1)	225,000	-
Total assets	\$ 439,820	\$ 472,336
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 71,912	\$ 39,278
Total liabilities	71,912	39,278
Shareholders' Equity		
Common shares (Note 6)	509,434	509,434
Contributed surplus (Note 7)	79,965	79,965
Deficit	(221,491)	(156,341)
Total equity	367,908	433,058
Total liabilities and equity	\$ 439,820	\$ 472,336

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors:

/s/ "Richard Buzbuzian"

Richard Buzbuzian
Director

/s/ "Robert Suttie"

Robert D.B. Suttie
Director

Buzbuz Capital Corp.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)

For the year ended December 31,	2020	2019
Expenses		
Professional fees	\$ 20,000	\$ 65,002
Public company costs	45,150	24,199
Share-based compensation (Note 7)	-	67,140
Net loss and comprehensive income loss	\$ (65,150)	\$ (156,341)
Basic and diluted net loss and comprehensive loss	\$ (0.01)	\$ (0.02)
Weighted average number of common shares outstanding	9,500,000	8,194,444

The accompanying notes are an integral part of these financial statements.

Buzbuz Capital Corp.**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(EXPRESSED IN CANADIAN DOLLARS)**

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance, December 31, 2018	7,000,000	\$ 350,000	\$ -	\$ -	\$ 350,000
Issued on private placement (Note 6)	2,500,000	250,000	-	-	250,000
Cost of issue (Note 6)	-	(77,741)	-	-	(77,741)
Issuance of broker warrants (Note 8)	-	(12,825)	12,825	-	-
Stock-based compensation (Note 7)	-	-	67,140	-	67,140
Net loss and comprehensive loss for the year	-	-	-	(156,341)	(156,341)
Balance, December 31, 2019	9,500,000	\$ 509,434	\$ 79,965	\$ (156,341)	\$ 433,058
Net loss and comprehensive loss for the year		-	-	(65,150)	(65,150)
Balance, December 31, 2020	9,500,000	\$ 509,434	\$ 79,965	\$ (221,491)	\$ 367,908

The accompanying notes are an integral part of these financial statements.

Buzbuz Capital Corp.
STATEMENT OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)

For the year ended December 31,	2020	2019
Cash (used in) provided by:		
Operating Activities		
Net loss for the year	\$ (65,150)	\$ (156,341)
Adjustment for:		
Stock-based compensation	-	67,140
Non-cash working capital items:		
Deferred financing costs	(40,025)	13,500
Loan receivable	(225,000)	-
Accounts payable and accrued liabilities	32,634	39,278
	(297,541)	(36,423)
Financing Activities		
Issuance of share capital	-	250,000
Costs of issue	-	(77,741)
	-	172,259
Net change in cash	(297,541)	135,836
Cash, beginning of year	472,336	336,500
Cash, end of year	\$ 174,795	\$ 472,336

The accompanying notes are an integral part of these financial statements.

Buzbuz Capital Corp.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

1. NATURE OF OPERATIONS

Buzbuz Capital Corp. (the "Company") was incorporated under the Business Corporations Act (Ontario) on February 26, 2018. On May 24, 2019, the Company completed its initial public offering. On May 28, 2019, the Company's common shares commenced trading on the TSX Venture Exchange ("TSX-V" or "the Exchange") under the symbol "BZBZ.P".

As at December 31, 2020, the Company had no business operations. As a CPC, the Company's business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction (as defined in Exchange Policy 2.4) subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to pay dividends or enjoy earnings in the immediate or foreseeable future. There is no assurance that the Company will identify and successfully acquire businesses or assets that will produce a profit. Moreover, if a potential business or asset is identified which warrants acquisition or participation, additional funds may be required to complete the acquisition or participation and the Company may not be able to obtain such financing on terms which are satisfactory to the Company.

Under the policies of the Exchange, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or delist the Company's shares from trading should it not meet these requirements.

On May 24, 2019, the Company completed an initial public offering in British Columbia, Alberta and Ontario of 2,500,000 common shares in the capital of the Company at a price of \$0.10 per common share for gross proceeds of \$250,000.

The head office of the Company is located at 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1.

During the year ended December 31 2020, an outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat its spread. 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.

Due to the worldwide COVID-19 outbreak, material uncertainties may come into existence that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- The severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labour availability and supply lines;
- Availability of essential supplies;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of the approval of these financial statements, the Canadian government has not introduced measures which impede the activities of the Company. Management believes the business will continue and accordingly, the current situation bears no impact on management's going concern assumption. However, 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.

Buzbuz Capital Corp.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

1. NATURE OF OPERATIONS (Continued)

Proposed Transaction

On October 2, 2020, the Company announced it and Inolife R&D ("Inolife") had entered into a definitive business combination agreement dated October 1, 2020 (the "Agreement") whereby the Company will acquire all of the securities of Inolife by way of a three-cornered amalgamation, subject to the terms and conditions of the Agreement.

It is anticipated that the completion of the Transaction will involve the following steps:

- i. BuzBuz will complete a consolidation of its common shares on a 1 for 2 basis (the "BuzBuz Consolidation" and Inolife will complete a consolidation of its common shares on a 3 for 1 basis (the "Inolife Consolidation");
- ii. BuzBuz will issue post-BuzBuz Consolidation common shares (hereinafter referred to as the "BuzBuz Shares") to the holders of post-Inolife Consolidation common shares (hereinafter referred to as the "Inolife Shares") in exchange for the Inolife Shares on the basis of one (1) BuzBuz Share for each Inolife Share held (the "Exchange Ratio"), resulting in the issuance of a maximum 79,180,329 BuzBuz Shares to Inolife's current shareholders (including BUZ Shares to be issued or issuable to: (a) settle certain debts outstanding; (b) Inolife debenture holders following the potential conversion of such debentures into Inolife Shares; and (c) convertible securities of Inolife, but does not include BuzBuz Shares issuable to investors in the Inolife Financing (as defined below); and
- iii. Subject to shareholder approval, BuzBuz will change its name to "Inolife Corp." or such other similar name as the parties may agree to.

The share exchange will be structured as a three-cornered amalgamation in which Inolife will amalgamate with a newly incorporated, wholly-owned subsidiary of BuzBuz to be formed solely for the purpose of facilitating the Transaction. Following the amalgamation, the amalgamated company will be a wholly-owned subsidiary of BuzBuz. The final legal structure for the Transaction, however, will be determined after the parties have considered all applicable tax, securities law, and accounting efficiencies.

As a result of the amalgamation, the current holders of Inolife Shares (not including future shareholders as a result of the Inolife Financing referred to below) will hold approximately 93% of the resulting issuer and the current holders of the BuzBuz Shares will hold approximately 7% of the resulting issuer.

The Transaction will not constitute a Non-Arm's Length Transaction (as such term is defined in the policies of the Exchange). No Insider, promoter or Control Person (as such terms are defined in the policies of the Exchange) of BuzBuz has any interest in Inolife prior to giving effect to the Transaction.

The BuzBuz securities issuable under the Transaction will be subject to the escrow requirements of the Exchange and hold periods as required by applicable securities laws.

The Transaction is not subject to approval by the shareholders of BuzBuz. However, at a meeting of the shareholders of BuzBuz to be called in connection with the Transaction, the shareholders of BuzBuz will be asked to: (i) approve the change of name to "Inolife Corp." or such other similar name as the parties may agree to on closing of the Transaction; (ii) approve the BuzBuz Consolidation; and (iii) approve the appointment of new directors of BuzBuz. The Transaction is subject to approval by the shareholders of Inolife, which will be sought at a meeting of the shareholders of Inolife to be held as soon as practicable.

Inolife has agreed to pay a one percent introductory fee to each of Canaccord Genuity Corp. and Christopher James Brown in connection with certain services provided to Inolife in connection with the Transaction, such fee based on the pre-money valuation of Inolife prior to signing the letter of intent.

Additionally, the Company incurred certain professional fees in relation to the Transaction totalling \$40,025. These are reflected as deferred financing costs on the Company's statement of financial position.

In connection with the Transaction, on December 18, 2020 the Company has advanced \$225,000 to inolife under the terms of a promissory note until June 30, 2021. The promissory note bears interest at 10% per annum, beginning on the third month following the effective date of the promissory note.

Buzbuz Capital Corp.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Measurement

These financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook - Accounting, as issued and effective for the year ended December 31, 2020.

These financial statements were approved by the Board of Directors on April 30, 2021.

In the preparation of these financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

Income Taxes

Deferred income taxes are provided in full, using the liability method, on temporary differences arising between the income tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income taxes is determined using income tax rates and income tax laws that have been enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilized.

Cash and Cash Equivalents

Cash includes cash on hand. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Company is not exposed to significant credit or interest rate risk. As at December 31, 2020 and 2019 the Company did not have any cash equivalents.

Share-Based Payments

The fair value, at the grant date, of equity-settled share awards is charged to comprehensive loss over the period from which the benefits of employees and others providing similar services are expected to be received. The corresponding accrued entitlement is recorded in the share award reserve. The fair value of awards is calculated using the Black-Scholes option pricing model which considers the following factors:

Exercise price	Expected life of the award
Expected volatility	Current market price of the underlying shares
Risk-free interest rate	Expected forfeitures

Deferred Financing Costs

Costs relating to the Company's planned initial public offering have been recorded as deferred financing costs. On completion of the initial public offering, these costs will be accounted for as share issue costs.

Buzbuz Capital Corp.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments

Financial Assets

All financial assets are initially measured at fair value and subsequently re-measured either at amortized cost or fair value either through profit and loss or through other comprehensive income based on the classification of the financial asset. The classification of financial assets within each measurement category is based on the Company's business model and the cash flow characteristics of the instrument. Cash is classified as fair value through profit or loss.

Financial Liabilities

All financial liabilities are initially measured at fair value and subsequently re-measured either at amortized cost or fair value through profit and loss.

Share Capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

Loss Per Share

Basic and diluted loss per share is determined by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding during the reporting period. Diluted loss per share is not separately presented, as the effect of securities exercisable into common shares would reduce the amount presented as loss per share.

New accounting standards adopted

IFRS 3, Business Combinations ("IFRS 3")

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The adoption of the amendments had no impact on the Company's financial statements.

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

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

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

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's financial statements.

Buzbuz Capital Corp.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

3. CAPITAL AND RESERVES

The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of special shares, issuable in series, without par value. Pursuant to an escrow agreement, the 7,000,000 issued common shares will be held in escrow to be released over a thirty-six month period commencing upon completion of a Qualifying Transaction. The escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the securities regulatory authorities. Stock options may be awarded to directors, officers, employees, and consultants at the discretion of the Board of Directors. The maximum number of stock options that may be issued may not exceed 10% of the issued and outstanding common shares of the Company on the date of grant. Stock options awarded may be exercisable for up to ten years at exercise prices determined by the Board of Directors at the time of award. The exercise prices shall not be less than market value.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of Financial Assets and Financial Liabilities

	2020	2019
Cash	174,795	472,336
Loan receivable	225,000	-
Accounts payable and accrued liabilities	(71,912)	(39,278)

Cash is measured at fair value through profit and loss. Fair value IFRS 7 establishes a fair value hierarchy for financial instruments measured at fair value that reflects the significance of inputs in making fair value measurements as follows:

Level 1 - applied to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 - applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 - applies to assets or liabilities for which there are unobservable market data. Pursuant to IFRS 7, the fair value of cash is measured on a recurring basis based on Level 1 inputs.

Credit Risk

Credit risk is the risk of an unexpected loss if a counterparty to a financial instrument fails to meet its contractual obligations to the Company. The Company's credit risk is primarily attributable to cash, which is held on deposit with a major Canadian bank.

Capital Risk Management

The Company manages, as capital, the components of shareholders' equity and its cash. The Company's objectives, when managing capital, are to safeguard its ability to complete a qualifying transaction as discussed in Note 1. The Company intends to manage its capital structure, and make adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue common shares or borrow. The Company does not anticipate the payment of dividends in the foreseeable future.

Buzbuz Capital Corp.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

5. CASH RESTRICTION

Under Exchange Policy 2.4, proceeds raised from the sale of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the sale of common shares and \$210,000 may be used to fund prescribed costs of selling the common shares and administrative and general expenses not related to the identification and evaluation of a Qualifying Transaction.

6. SHARE CAPITAL

(a) Authorized

As at December 31, 2020 and 2019 the authorized share capital consisted of an unlimited number of common shares and preferred shares without par value.

(b) Issued and outstanding

	Number of Shares	Amount (\$)
Balance, December 31, 2018	7,000,000	350,000
Issued (i)	2,500,000	159,434
Balance, December 31, 2019 and December 31, 2020	9,500,000	509,434

On May 24, 2019, the Company completed an initial public offering in British Columbia, Alberta and Ontario of 2,500,000 common shares in the capital of the Company at a price of \$0.10 per common share for gross proceeds of \$250,000. Cash costs of issue amounted to \$77,741. In connection with the initial public offering, the Company granted 250,000 stock broker options. The broker options are exercisable at \$0.10 per share and expire May 24, 2021. The resulting fair value of \$12,825 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility from 140%; a risk-free interest rate of 1.50% and an expected life of 2 years.

7. STOCK OPTIONS

The following table reflects the continuity of stock options for the year ended December 31, 2020 and 2019:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, December 31, 2018	-	-
Granted (i)	900,000	0.10
Balance, December 31, 2019 and December 31, 2020	900,000	0.10

As at December 31, 2020, 900,000 stock options were issued, outstanding options and exercisable.

- (i) On May 24, 2019, the Company granted 900,000 stock options to officers and directors of the Company. The options are exercisable at \$0.10 per share, expire May 24, 2024. The resulting fair value of \$67,140 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility from 100%; a risk-free interest rate of 1.50% and an expected life of 5 years.

Buzbuz Capital Corp.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019
(EXPRESSED IN CANADIAN DOLLARS)

7. STOCK OPTIONS (Continued)

The following table reflects the stock options issued and outstanding as of December 31, 2020:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding
May 24, 2024	0.10	3.40	900,000

8. WARRANTS

The following table reflects the continuity of warrants for the year ended December 31, 2020 and 2019:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, December 31, 2018	-	-
Granted (i)	250,000	0.10
Balance, December 31, 2019 and December 31, 2020	250,000	0.10

- (i) In connection with the initial public offering, the Company granted 250,000 broker options. The broker options are exercisable at \$0.10 per share and expire May 24, 2021. The resulting fair value of \$12,825 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility from 140%; a risk-free interest rate of 1.50% and an expected life of 2 years.

The following table reflects the warrants issued and outstanding as of December 31, 2020:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Warrants Outstanding
May 24, 2021	0.10	0.39	250,000

Buzbuz Capital Corp.
NOTES TO THE FINANCIAL STATEMENTS
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9. INCOME TAXES

The statutory tax rate is 27%. The reconciliation of the combined Canadian federal and provincial statutory income tax rate on the net loss for the years ended December 31, 2020 and 2019 are as follows:

	2020	2019
Expected income tax recovery	\$ 17,591	\$ 42,212
Non-deductible share-based compensation	-	(18,128)
Unrecognized benefit from income tax losses	(17,591)	(24,084)
Income tax expense reflected in the statements of loss and comprehensive loss	\$ -	\$ -

As at December 31, 2020, the Company has non-capital losses of approximately \$24,084 (2019 - \$24,084) carried forward for Canadian income tax purposes and are available to reduce taxable income in future years. The non-capital losses expire in 2040.

The significant components of the Company's deferred income taxes are as follows as at December 31:

	2020	2019
<u>Deferred income tax asset</u>		
Non-capital losses	\$ 41,675	\$ 24,084
Valuation allowance	(41,675)	(24,084)
	\$ -	\$ -

10. RELATED PARTY TRANSACTIONS

On May 24, 2019, the Company granted 900,000 incentive stock options to officers and directors of the Company. The options are exercisable at \$0.10 per share and expire May 24, 2024. Each of the Company's four directors were issued 225,000 options of the 900,000 option grant.

During the year ended December 31, 2020, the Company expensed \$16,137 (2019 - \$7,500) for bookkeeping services to a Company with which a director is a senior officer. As at December 31, 2020, \$23,337 (2019 - \$16,778) was included in accounts payable and accrued liabilities.

BUZBUZ CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020

(EXPRESSED IN CANADIAN DOLLARS)

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Buzbuz Capital Corp. ("Buzbuz", or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 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 financial statements of the Company for the year ended December 31, 2020, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. Information contained herein is presented as at April 30, 2021 unless otherwise indicated.

Further information about the Company and its operations can be obtained on www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

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 statements 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. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company expects to complete a Qualifying Transaction (defined below)	The Company expects to identify an asset or business to acquire and close a Qualifying Transaction, on terms favourable to the Company	The Company's inability to find a target to complete a Qualifying Transaction, resulting in the Company remaining as a public shell on the NEX trading board of the Exchange (defined below)
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending December 31, 2020	The operating activities of the Company for the twelve-month period ending December 31, 2020, 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 the Company	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; regulatory compliance and changes in regulatory compliance and other local legislation and regulation; interest rate and exchange

		rate fluctuations; changes in economic conditions

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

Buzbuz Capital Corp. (the "Company") was incorporated under the Business Corporations Act (Ontario) on February 26, 2018.

As at December 31, 2020, the Company had no business operations. As a CPC, the Company's business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction (as defined in Exchange Policy 2.4) subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to pay dividends or enjoy earnings in the immediate or foreseeable future. There is no assurance that the Company will identify and successfully acquire businesses or assets that will produce a profit. Moreover, if a potential business or asset is identified which warrants acquisition or participation, additional funds may be required to complete the acquisition or participation and the Company may not be able to obtain such financing on terms which are satisfactory to the Company.

Under the policies of the Exchange, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or de-list the Company's shares from trading should it not meet these requirements.

The head office of the Company is located at 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1.

The Company's financial year end is on December 31.

Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional

funds in order to finance an acquisition. Except as permitted by Policy 2.4, the funds that will be raised and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions.

Operational Highlights

As at December 31, 2020, the Company has had no business operations.

On October 2, 2020, the Company announced it and Inolife R&D ("Inolife") had entered into a definitive business combination agreement dated October 1, 2020 (the "Agreement") whereby the Company will acquire all of the securities of Inolife by way of a three-cornered amalgamation, subject to the terms and conditions of the Agreement.

It is anticipated that the completion of the Transaction will involve the following steps:

- i. BuzBuz will complete a consolidation of its common shares on a 2 for 1 basis (the "BuzBuz Consolidation" and Inolife will complete a consolidation of its common shares on a 3 for 1 basis (the "Inolife Consolidation");
- ii. BuzBuz will issue post-BuzBuz Consolidation common shares (hereinafter referred to as the "BuzBuz Shares") to the holders of post-Inolife Consolidation common shares (hereinafter referred to as the "Inolife Shares") in exchange for the Inolife Shares on the basis of one (1) BuzBuz Share for each Inolife Share held (the "Exchange Ratio"), resulting in the issuance of a maximum 79,180,329 BuzBuz Shares to Inolife's current shareholders (including BUZ Shares to be issued or issuable to: (a) settle certain debts outstanding; (b) Inolife debenture holders following the potential conversion of such debentures into Inolife Shares; and (c) convertible securities of Inolife, but does not include BuzBuz Shares issuable to investors in the Inolife Financing (as defined below); and
- iii. Subject to shareholder approval, BuzBuz will change its name to "Inolife Corp." or such other similar name as the parties may agree to.

The share exchange will be structured as a three-cornered amalgamation in which Inolife will amalgamate with a newly incorporated, wholly-owned subsidiary of BuzBuz to be formed solely for the purpose of facilitating the Transaction. Following the amalgamation, the amalgamated company will be a wholly-owned subsidiary of BuzBuz. The final legal structure for the Transaction, however, will be determined after the parties have considered all applicable tax, securities law, and accounting efficiencies.

As a result of the amalgamation, the current holders of Inolife Shares (not including future shareholders as a result of the Inolife Financing referred to below) will hold approximately 93% of the resulting issuer and the current holders of the BuzBuz Shares will hold approximately 7% of the resulting issuer.

The Transaction will not constitute a Non-Arm's Length Transaction (as such term is defined in the policies of the Exchange). No Insider, promoter or Control Person (as such terms are defined in the policies of the Exchange) of BuzBuz has any interest in Inolife prior to giving effect to the Transaction.

The BuzBuz securities issuable under the Transaction will be subject to the escrow requirements of the Exchange and hold periods as required by applicable securities laws.

The Transaction is not subject to approval by the shareholders of BuzBuz. However, at a meeting of the shareholders of BuzBuz to be called in connection with the Transaction, the shareholders of BuzBuz will be asked to: (i) approve the change of name to "Inolife Corp." or such other similar name as the parties may agree to on closing of the Transaction; (ii) approve the BuzBuz Consolidation; and (iii) approve the

appointment of new directors of BuzBuz. The Transaction is subject to approval by the shareholders of Inolife, which will be sought at a meeting of the shareholders of Inolife to be held as soon as practicable.

In connection with the Transaction, Inolife has agreed to pay a one percent introductory fee to each of Canaccord Genuity Corp. and Christopher James Brown in connection with certain services provided to Inolife in connection with the Transaction, such fee based on the pre-money valuation of Inolife prior to signing the letter of intent.

Additionally, the Company incurred certain professional fees in relation to the Transaction totalling \$40,025. These are reflected as deferred financing costs on the Company's statement of financial position.

In connection with the Transaction, on December 18, 2020 the Company has advanced \$225,000 to Inolife under the terms of a promissory note until June 30, 2021. The promissory note bears interest at 10% per annum, beginning on the third month following the effective date of the promissory note.

To date, the transaction has not closed.

Trends

For the immediate future, the Company intends to work towards, completing the Proposed Transaction. The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Generally strong equity markets are favourable conditions for completing a public merger or acquisition transaction.

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this MD&A, the Canadian federal government and the provincial government of Ontario have not introduced measures that have directly impeded the operational activities of the Company. Although cash in the Company has declined, management believes the business will continue and, accordingly, the current situation has not impacted management's going concern assumption. However, 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.

See "Cautionary Note Regarding Forward-Looking Information" above.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Selected Annual Information

	Year Ended Dec. 31, 2020 \$	Year Ended Dec. 31, 2019 \$
Total assets	439,820	472,336
Total liabilities	(71,912)	(39,278)
Working capital**	367,908	433,058
Expenses	65,150	156,341
Net (loss)	(65,150)	(156,341)
Net (loss) per share, basic and diluted	(0.01)	(0.02)

** defined as current assets, less current liabilities

Year ended December 31, 2020, compared to the year ended December 31, 2019

The Company incurred reported a loss of \$156,341 during the year ended December 31, 2020, consisting of professional fees of \$20,000, public company costs of \$45,150, and stock based compensation of \$nil. Professional fees consist of legal and audit costs. Public company costs include accounting, compliance and filing costs.

The Company incurred reported a loss of \$156,341 during the year ended December 31, 2019, consisting of professional fees of \$65,002, public company costs of \$24,199, and stock based compensation of \$67,140. Professional fees consist of legal and audit costs. Public company costs include compliance and filing costs.

On May 24, 2019, the Company granted 900,000 incentive stock options to officers and directors of the Company. The options are exercisable at \$0.10 per share, expire May 24, 2024. The resulting fair value of \$67,140 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility from 100%; a risk-free interest rate of 1.50% and an expected life of 5 years.

During Q1 2019 and previously, the company had no reported activity on its statement of operations.

Discussion of Operations

Three months ended December 31, 2020, compared to the three months ended December 31, 2019

The Company incurred reported a net loss of \$27,808 during the three months ended December 31, 2020, compared to \$65,669 for the comparable three months ended December 31, 2019. The increase of \$37,861 in net loss was primarily due to an increase in professional fees of \$20,000 related to the Company's annual audit.

Cash Flow

At December 31, 2020, the Company had cash of \$174,795, compared to \$472,336 on December 31, 2019.

Liquidity and Capital Resources

The Company manages its capital structure and makes adjustments to it, based on available funds to the Company. Pursuant to the policies of the Exchange, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of its initial public offering or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under Policy 2.4. The Company has exceeded this limit. The impact of this violation, if any, is unknown and is ultimately dependent on the Exchange.

As at December 31, 2020, the Company had \$367,908 in working capital. Management believes the Company's working capital is sufficient for the Company to meet its ongoing obligations and meet its objective of completing a Qualifying Transaction.

Selected Quarterly Information

	Assets (\$)	Net Loss	
		Total (\$)	Basic and Diluted Loss per Share (\$)
December 31, 2020	439,820	27,808	(0.01)
September 30, 2020	401,604	7,792	(0.00)
June 30, 2020	454,020	25,661	(0.00)
March 31, 2020	472,160	3,889	(0.00)
December 31, 2019	472,336	41,888	(0.01)
September 30, 2019	474,946	2,039	(0.00)
June 30, 2019	476,985	112,414	(0.01)
March 31, 2019	350,000	Nil	(0.00)
December 31, 2018	350,000	Nil	(0.00)

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Additional Information Outstanding Share Data as at the date of this MD&A

As of the date of this MD&A, there were 9,500,000 common shares of the Company issued and outstanding, 900,000 stock options outstanding, with a weighted average exercise price of \$0.10, and 250,000 warrants with a weighted average exercise price of \$0.10.

Related Party Transactions

On May 24, 2019, the Company granted 900,000 incentive stock options to officers and directors of the Company. The options are exercisable at \$0.10 per share and expire May 24, 2024. Each of the Company's four directors were issued 225,000 options of the 900,000 option grant.

During the year ended December 31, 2020, the Company expensed \$16,137 (2019 - \$7,500) for bookkeeping services to a Company with which a director is a senior officer. As at December 31, 2020, \$23,337 (2019 - \$16,778) was included in accounts payable and accrued liabilities.

Proposed Transaction

See proposed transaction with Inolife on page 4.

Changes in Accounting Policies

IFRS 3, Business Combinations ("IFRS 3")

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The adoption of the amendments had no impact on the Company's financial statements.

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

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the financial statements.

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

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's financial statements.

Risks and Uncertainties

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

No Operating History

The Company has not commenced commercial operations and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce

earnings or pay dividends in the immediate or foreseeable future. Until completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

Possible Trading Suspension or Delisting

The Exchange may suspend from trading or delist the securities of the Company where the Company has failed to complete a Qualifying Transaction within the 24 months of the date of listing or if the Company fails to meet initial listing requirements of the Exchange upon Completion of the Qualifying Transaction. Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing an interim cease trade order against the Company. In addition, delisting of the common shares will result in the cancellation of all of the currently issued and outstanding common shares of the Company held by Insiders. Trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required.

Halt of Trading

Upon public announcement of a potential Qualifying Transaction, trading in the common shares of the Company will be halted and will remain halted until completion of a Qualifying Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Qualifying Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval, as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction; the Exchange may not approve a Qualifying Transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon completion of a Qualifying Transaction;
- (b) if, following completion of a Qualifying Transaction, the Company will be a finance company or a mutual fund as defined under applicable securities laws;
- (c) the consideration proposed to be paid by the Company in connection with the Qualifying Transaction is not acceptable to the Exchange; or
- (d) for any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change and subscribers may suffer dilution of their investment.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Directors and Officers

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Additionally, directors and officers of the Company may also serve as directors and/or officers of other reporting issuers from time to time.

The Company has not purchased "key-man" insurance, nor has it entered into non-competition and non-disclosure agreements with management and has no current plans to do so.

Foreign Acquisition

In the event the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

Loans or Advances

Subject to prior acceptance from the Exchange, the Company may be permitted to loan or advance up to an aggregate of \$250,000 (\$25,000 without prior Exchange approval) of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Company will be able to recover the loan or advance.

Buzbuz Capital Corp.

AMENDED AND RESTATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

The accompanying condensed interim financial statements have been amended and restated to reflect the issuance of 250,000 common shares on exercise of warrants, previously presented as having been exercised, with the issuance of the underlying common shares pending. Accordingly, shares-to-be-issued has been reduced by \$37,825 to \$nil, and common shares has been increased by \$37,825 to \$547,259. The number of common shares issued and outstanding has been increased from 9,500,000 to 9,750,000.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements of Buzbuz Capital Corp. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in 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 unaudited condensed interim 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 by the unaudited condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Buzbuz Capital Corp.**AMENDED AND RESTATED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

	June 30, 2021	December 31, 2020
Assets		
Current assets		
Cash	\$ 138,397	\$ 174,795
Deferred financing costs (Note 1)	40,025	40,025
Loan receivable (Note 1)	231,473	225,000
Total assets	\$ 409,895	\$ 439,820
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 61,751	\$ 71,912
Total liabilities	61,751	71,912
Shareholders' Equity		
Common shares (Note 4)	547,259	509,434
Contributed surplus (Note 5)	67,140	79,965
Deficit	(266,255)	(221,491)
Total equity	348,144	367,908
Total liabilities and equity	\$ 409,895	\$ 439,820

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Buzbuz Capital Corp.**AMENDED AND RESTATED CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Expenses				
Professional fees	\$ -	\$ -	\$ 5,000	\$ -
Public company costs	13,385	25,661	39,764	29,550
Net loss and comprehensive income loss	\$ (13,385)	\$ (25,661)	\$ (44,764)	\$ (29,550)
Basic and diluted net loss and comprehensive loss	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Weighted average number of common shares outstanding	9,505,495	9,500,000	9,502,778	9,500,000

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Buzbuz Capital Corp.**AMENDED AND RESTATED CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY****(EXPRESSED IN CANADIAN DOLLARS)****(UNAUDITED)**

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance, December 31, 2019	9,500,000	\$ 509,434	\$ 79,965	\$ (156,341)	\$ 433,058
Net loss and comprehensive loss for the period	-	-	-	(29,550)	(29,550)
Balance, June 30, 2020	9,500,000	\$ 509,434	\$ 79,965	\$ (185,891)	\$ 403,508
Balance, December 31, 2020	9,500,000	\$ 509,434	\$ 79,965	\$ (221,491)	\$ 367,908
Exercise of warrants	250,000	37,825	(12,825)	-	25,000
Net loss and comprehensive loss for the period	-	-	-	(44,764)	(44,764)
Balance, June 30, 2021	9,750,000	\$ 547,259	\$ 67,140	\$ (266,255)	\$ 348,144

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Buzbuz Capital Corp.**AMENDED AND RESTATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

For the Six Months Ended June 30,	2021	2020
Cash (used in) provided by:		
Operating Activities		
Net loss for the period	\$ (44,764)	\$ (29,550)
Adjustment for:		
Non-cash working capital items:		
Loan receivable	(6,473)	-
Accounts payable and accrued liabilities	(10,161)	11,234
	(61,398)	(18,316)
Financing Activities		
Proceeds on exercise of warrants	25,000	-
Net change in cash	(36,398)	(18,316)
Cash, beginning of period	174,795	472,336
Cash, end of period	\$ 138,397	\$ 454,020

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Buzbuz Capital Corp.

NOTES TO THE AMENDED AND RESTATED CONDENSED INTERIM FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

1. NATURE OF OPERATIONS

Buzbuz Capital Corp. (the "Company") was incorporated under the Business Corporations Act (Ontario) on February 26, 2018. On May 24, 2019, the Company completed its initial public offering. On May 28, 2019, the Company's common shares commenced trading on the TSX Venture Exchange ("TSX-V" or "the Exchange") under the symbol "BZBZ.P".

As at June 30, 2021, the Company had no business operations. As a CPC, the Company's business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction (as defined in Exchange Policy 2.4) subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to pay dividends or enjoy earnings in the immediate or foreseeable future. There is no assurance that the Company will identify and successfully acquire businesses or assets that will produce a profit. Moreover, if a potential business or asset is identified which warrants acquisition or participation, additional funds may be required to complete the acquisition or participation and the Company may not be able to obtain such financing on terms which are satisfactory to the Company.

Under the policies of the Exchange, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or delist the Company's shares from trading should it not meet these requirements.

On May 24, 2019, the Company completed an initial public offering in British Columbia, Alberta and Ontario of 2,500,000 common shares in the capital of the Company at a price of \$0.10 per common share for gross proceeds of \$250,000.

The head office of the Company is located at 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1.

During fiscal 2020, an outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", resulted in governments worldwide enacting emergency measures to combat its spread. 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.

Due to the worldwide COVID-19 outbreak, material uncertainties may come into existence that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- The severity and the length of potential measures taken by governments to manage the spread of the virus and their effect on labour availability and supply lines;
- Availability of essential supplies;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of the approval of these financial statements, the Canadian government has not introduced measures which impede the activities of the Company. Management believes the business will continue and accordingly, the current situation bears no impact on management's going concern assumption. However, 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.

Buzbuz Capital Corp.

NOTES TO THE AMENDED AND RESTATED CONDENSED INTERIM FINANCIAL STATEMENTS THREE AND SIX MONTHS ENDED JUNE 30, 2021 (EXPRESSED IN CANADIAN DOLLARS) (UNAUDITED)

1. NATURE OF OPERATIONS (Continued)

Proposed Transaction

On October 2, 2020, the Company announced it and Inolife R&D ("Inolife") had entered into a definitive business combination agreement dated October 1, 2020 (the "Agreement") whereby the Company will acquire all of the securities of Inolife by way of a three-cornered amalgamation, subject to the terms and conditions of the Agreement.

It is anticipated that the completion of the Transaction will involve the following steps:

- i. BuzBuz will complete a consolidation of its common shares on a 1 for 2 basis (the "BuzBuz Consolidation" and Inolife will complete a consolidation of its common shares on a 3 for 1 basis (the "Inolife Consolidation");
- ii. BuzBuz will issue post-BuzBuz Consolidation common shares (hereinafter referred to as the "BuzBuz Shares") to the holders of post-Inolife Consolidation common shares (hereinafter referred to as the "Inolife Shares") in exchange for the Inolife Shares on the basis of one (1) BuzBuz Share for each Inolife Share held (the "Exchange Ratio"), resulting in the issuance of a maximum 79,180,329 BuzBuz Shares to Inolife's current shareholders (including BUZ Shares to be issued or issuable to: (a) settle certain debts outstanding; (b) Inolife debenture holders following the potential conversion of such debentures into Inolife Shares; and (c) convertible securities of Inolife, but does not include BuzBuz Shares issuable to investors in the Inolife Financing (as defined below); and
- iii. Subject to shareholder approval, BuzBuz will change its name to "Inolife Corp." or such other similar name as the parties may agree to.

The share exchange will be structured as a three-cornered amalgamation in which Inolife will amalgamate with a newly incorporated, wholly-owned subsidiary of BuzBuz to be formed solely for the purpose of facilitating the Transaction. Following the amalgamation, the amalgamated company will be a wholly-owned subsidiary of BuzBuz. The final legal structure for the Transaction, however, will be determined after the parties have considered all applicable tax, securities law, and accounting efficiencies.

As a result of the amalgamation, the current holders of Inolife Shares (not including future shareholders as a result of the Inolife Financing referred to below) will hold approximately 93% of the resulting issuer and the current holders of the BuzBuz Shares will hold approximately 7% of the resulting issuer.

The Transaction will not constitute a Non-Arm's Length Transaction (as such term is defined in the policies of the Exchange). No Insider, promoter or Control Person (as such terms are defined in the policies of the Exchange) of BuzBuz has any interest in Inolife prior to giving effect to the Transaction.

The BuzBuz securities issuable under the Transaction will be subject to the escrow requirements of the Exchange and hold periods as required by applicable securities laws.

The Transaction is not subject to approval by the shareholders of BuzBuz. However, at a meeting of the shareholders of BuzBuz to be called in connection with the Transaction, the shareholders of BuzBuz will be asked to: (i) approve the change of name to "Inolife Corp." or such other similar name as the parties may agree to on closing of the Transaction; (ii) approve the BuzBuz Consolidation; and (iii) approve the appointment of new directors of BuzBuz. The Transaction is subject to approval by the shareholders of Inolife, which will be sought at a meeting of the shareholders of Inolife to be held as soon as practicable.

Inolife has agreed to pay a one percent introductory fee to each of Canaccord Genuity Corp. and Christopher James Brown in connection with certain services provided to Inolife in connection with the Transaction, such fee based on the pre-money valuation of Inolife prior to signing the letter of intent.

Buzbuz Capital Corp.**NOTES TO THE AMENDED AND RESTATED CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED JUNE 30, 2021
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

1. NATURE OF OPERATIONS (Continued)

Additionally, the Company incurred certain professional fees in relation to the Transaction totalling \$40,025. These are reflected as deferred financing costs on the Company's statement of financial position.

In connection with the Transaction, on December 18, 2020 the Company advanced \$225,000 to Inolife under the terms of a promissory note until June 30, 2021. The promissory note bears interest at 10% per annum, beginning on the third month following the effective date of the promissory note. As at June 30, 2021, \$6,473 of interest had accrued on this note. The note was amended and renewed subsequent to June 30, 2021. (Note 8)

2. BASIS OF PREPARATION**Statement of Compliance**

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these condensed interim consolidated financial statements are based on IFRS issued and outstanding as of September 27, 2021 the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 30, 2020, except for those noted below. Any subsequent changes to IFRS that are given effect in the Corporation's annual financial statements for the year ending December 31, 2021 could result in restatement of these unaudited condensed interim financial statements.

3. CASH RESTRICTION

Under Exchange Policy 2.4, proceeds raised from the sale of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the sale of common shares and \$210,000 may be used to fund prescribed costs of selling the common shares and administrative and general expenses not related to the identification and evaluation of a Qualifying Transaction.

4. SHARE CAPITAL**(a) Authorized**

As at June 30, 2021 and 2020 the authorized share capital consisted of an unlimited number of common shares and preferred shares without par value.

(b) Issued and outstanding

	Number of Shares	Amount (\$)
Balance, December 31, 2019 and June 30, 2020	9,500,000	509,434
Balance, December 31, 2020	9,500,000	509,434
Exercise of warrants	250,000	37,825
Balance, June 30, 2021	9,750,000	547,259

Buzbuz Capital Corp.**NOTES TO THE AMENDED AND RESTATED CONDENSED INTERIM FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED JUNE 30, 2021
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

5. STOCK OPTIONS

The following table reflects the continuity of stock options for the three and six months ended June 30, 2021 and 2020:

	Number of Stock Options	Weighted Average Exercise Price (\$)
Balance, December 31, 2019 and June 30, 2020	900,000	0.10
Balance, December 31, 2020 and June 30, 2021	900,000	0.10

As at June 30, 2021, 900,000 stock options were issued, outstanding options and exercisable.

The following table reflects the stock options issued and outstanding as of June 30, 2021:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding
May 24, 2024	0.10	2.90	900,000

6. WARRANTS

The following table reflects the continuity of warrants for the six months ended June 30, 2021 and 2020:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, December 31, 2019 and June 30, 2020	250,000	0.10
Balance, December 31, 2020	250,000	0.10
Exercised	(250,000)	0.10
Balance, June 30, 2021	-	-

7. RELATED PARTY TRANSACTIONS

During the three and six months ended June 30, 2021, the Company expensed \$5,000 and \$13,619 (three months and six ended June 30, 2020 - \$8,320 and \$11,136, respectively) for bookkeeping services to a Company with which a director is a senior officer. As at June 30, 2021, \$8,475 (December 31, 2020 - \$23,337) was included in accounts payable and accrued liabilities.

8. SUBSEQUENT EVENTS

On August 26, 2021, the Company signed an amended and restated loan agreement with Inolife (see note 1), advancing a further \$25,000 for an aggregate loan principal balance of \$250,000, bearing interest at 10% maturing March 18, 2022.

BUZBUZ CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS SIX MONTHS ENDED JUNE 30, 2021

(EXPRESSED IN CANADIAN DOLLARS)

The accompanying management's discussion and analysis has been refiled to correct disclosure included under discussion of operations for the three months ended on page 6. The comparative net loss for the three months ended June 30, 2020 has been amended to \$25,661 from \$29,550.

Introduction

The following interim management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Buzbuz Capital Corp. ("Buzbuz", or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the six months ended June 30, 2021. 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 financial statements of the Company for the year ended December 31, 2020 as well as the unaudited condensed interim financial statements for the three and six months ended June 30, 2021, together with the notes thereto. The financial statements and the financial information contained in this MD&A were prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Information contained herein is presented as of September 27, 2021, unless otherwise indicated.

Further information about the Company and its operations can be obtained on www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

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 statements 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. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company expects to complete a Qualifying Transaction (defined below)	The Company expects to identify an asset or business to acquire and close a Qualifying Transaction, on terms favourable to the Company	The Company's inability to find a target to complete a Qualifying Transaction, resulting in the Company remaining as a public shell on the NEX trading board of the Exchange (defined below)
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending June 30, 2022.	The operating activities of the Company for the twelve-month period ending June 30, 2022, and the costs associated therewith, will be consistent with the Company's	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs;

	current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company	regulatory compliance and changes in regulatory compliance and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions

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

Buzbuz Capital Corp. (the "Company") was incorporated under the Business Corporations Act (Ontario) on February 26, 2018.

As at June 30, 2021, the Company had no business operations. As a CPC, the Company's business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction (as defined in Exchange Policy 2.4) subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to pay dividends or enjoy earnings in the immediate or foreseeable future. There is no assurance that the Company will identify and successfully acquire businesses or assets that will produce a profit. Moreover, if a potential business or asset is identified which warrants acquisition or participation, additional funds may be required to complete the acquisition or participation and the Company may not be able to obtain such financing on terms which are satisfactory to the Company.

Under the policies of the Exchange, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or de-list the Company's shares from trading should it not meet these requirements.

The head office of the Company is located at 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1.

The Company's financial year end is on December 31.

Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as permitted by Policy 2.4, the funds that will be raised and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions.

Operational Highlights

As at June 30, 2021, the Company has had no business operations.

On October 2, 2020, the Company announced it and Inolife R&D ("Inolife") had entered into a definitive business combination agreement dated October 1, 2020 (the "Agreement") whereby the Company will acquire all of the securities of Inolife by way of a three-cornered amalgamation, subject to the terms and conditions of the Agreement.

It is anticipated that the completion of the Transaction will involve the following steps:

- i. BuzBuz will complete a consolidation of its common shares on a 2 for 1 basis (the "BuzBuz Consolidation" and Inolife will complete a consolidation of its common shares on a 3 for 1 basis (the "Inolife Consolidation");
- ii. BuzBuz will issue post-BuzBuz Consolidation common shares (hereinafter referred to as the "BuzBuz Shares") to the holders of post-Inolife Consolidation common shares (hereinafter referred to as the "Inolife Shares") in exchange for the Inolife Shares on the basis of one (1) BuzBuz Share for each Inolife Share held (the "Exchange Ratio"), resulting in the issuance of a maximum 79,180,329 BuzBuz Shares to Inolife's current shareholders (including BuzBuz Shares to be issued or issuable to: (a) settle certain debts outstanding; (b) Inolife debenture holders following the potential conversion of such debentures into Inolife Shares; and (c) convertible securities of Inolife, but does not include BuzBuz Shares issuable to investors in the Inolife Financing (as defined below); and
- iii. Subject to shareholder approval, BuzBuz will change its name to "Inolife Corp." or such other similar name as the parties may agree to.

The share exchange will be structured as a three-cornered amalgamation in which Inolife will amalgamate with a newly incorporated, wholly-owned subsidiary of BuzBuz to be formed solely for the purpose of facilitating the Transaction. Following the amalgamation, the amalgamated company will be a wholly-owned subsidiary of BuzBuz. The final legal structure for the Transaction, however, will be determined after the parties have considered all applicable tax, securities law, and accounting efficiencies.

As a result of the amalgamation, the current holders of Inolife Shares (not including future shareholders as a result of the Inolife Financing referred to below) will hold approximately 93% of the resulting issuer and the current holders of the BuzBuz Shares will hold approximately 7% of the resulting issuer.

The Transaction will not constitute a Non-Arm's Length Transaction (as such term is defined in the policies of the Exchange). No Insider, promoter or Control Person (as such terms are defined in the policies of the Exchange) of BuzBuz has any interest in Inolife prior to giving effect to the Transaction.

The BuzBuz securities issuable under the Transaction will be subject to the escrow requirements of the Exchange and hold periods as required by applicable securities laws.

The Transaction is not subject to approval by the shareholders of BuzBuz. However, at a meeting of the shareholders of BuzBuz to be called in connection with the Transaction, the shareholders of BuzBuz will be asked to: (i) approve the change of name to "Inolife Corp." or such other similar name as the parties may agree to on closing of the Transaction; (ii) approve the BuzBuz Consolidation; and (iii) approve the appointment of new directors of BuzBuz. The Transaction is subject to approval by the shareholders of Inolife, which will be sought at a meeting of the shareholders of Inolife to be held as soon as practicable.

In connection with the Transaction, Inolife has agreed to pay a one percent introductory fee to each of Canaccord Genuity Corp. and Christopher James Brown in connection with certain services provided to Inolife in connection with the Transaction, such fee based on the pre-money valuation of Inolife prior to signing the letter of intent.

Additionally, the Company incurred certain professional fees in relation to the Transaction totalling \$40,025. These are reflected as deferred financing costs on the Company's statement of financial position.

In connection with the Transaction, on December 18, 2020 the Company has advanced \$225,000 to Inolife under the terms of a promissory note until June 30, 2021. The promissory note bears interest at 10% per annum, beginning on the third month following the effective date of the promissory note.

On August 26, 2021, the Company signed an amended and restated loan agreement with Inolife (see note 1), advancing a further \$25,000 for an aggregate loan principal balance of \$250,000, bearing interest at 10% maturing March 18, 2022.

To date, the transaction has not closed.

Trends

For the immediate future, the Company intends to work towards, completing the Proposed Transaction. The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Generally strong equity markets are favourable conditions for completing a public merger or acquisition transaction.

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this MD&A, the Canadian federal government and the provincial government of Ontario have not introduced measures that have directly impeded the operational activities of the Company. Although cash in the Company has declined, management believes the business will continue and,

accordingly, the current situation has not impacted management's going concern assumption. However, 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.

See "Cautionary Note Regarding Forward-Looking Information" above.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Discussion of Operations

Three months ended June 30, 2021, compared to the three months ended June 30, 2020

The Company incurred reported a net loss of \$13,385 during the three months ended June 30, 2021, compared to \$29,550 for the comparable three months ended June 30, 2020. The decline in net loss was primarily due to an decline in professional fees of related to the Company's annual audit, and various annual sustaining, filing and accounting fees.

Six months ended June 30, 2021, compared to the six months ended June 30, 2020

The Company incurred reported a net loss of \$44,764 during the six months ended June 30, 2021, compared to \$25,661 for the comparable six months ended June 30, 2020. The increase of \$15,214 in net loss was primarily due to an increase in professional fees of related to the Company's annual audit, additional audit associated with the Q1 2021 review by the company's auditors and various annual sustaining, filing and accounting fees.

Cash Flow

At June 30, 2021, the Company had cash of \$138,397, compared to \$174,795 on December 31, 2020.

Liquidity and Capital Resources

The Company manages its capital structure and makes adjustments to it, based on available funds to the Company. Pursuant to the policies of the Exchange, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of its initial public offering or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under Policy 2.4. The Company has exceeded this limit. The impact of this violation, if any, is unknown and is ultimately dependent on the Exchange.

As at June 30, 2021, the Company had \$348,144 in working capital (December 31, 2020 - \$367,908). Management believes the Company's working capital is sufficient for the Company to meet its ongoing obligations and meet its objective of completing a Qualifying Transaction.

Selected Quarterly Information

	Assets (\$)	Net Loss	
		Total (\$)	Basic and Diluted Loss per Share (\$)
June 30, 2021	409,895	13,385	(0.00)
March 31, 2021	435,473	31,379	(0.00)
December 31, 2020	439,820	27,808	(0.01)
September 30, 2020	401,604	7,792	(0.00)
June 30, 2020	454,020	25,661	(0.00)
March 31, 2020	472,160	3,889	(0.00)
December 31, 2019	472,336	41,888	(0.01)
September 30, 2019	474,946	2,039	(0.00)

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Additional Information Outstanding Share Data as at the date of this MD&A

As of the date of this MD&A, there were 9,750,000 common shares of the Company issued and outstanding, and 900,000 stock options outstanding, with a weighted average exercise price of \$0.10.

Related Party Transactions

During the three and six months ended June 30, 2021, the Company expensed \$5,000 and \$13,619 (three months and six ended June 30, 2020 - \$8,320 and \$11,136, respectively) for bookkeeping services to a Company with which a director is a senior officer. As at June 30, 2021, \$8,475 (December 31, 2020 - \$23,337) was included in accounts payable and accrued liabilities.

Proposed Transaction

See proposed transaction with Inolife on page 4.

Risks and Uncertainties

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

No Operating History

The Company has not commenced commercial operations and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce

earnings or pay dividends in the immediate or foreseeable future. Until completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions. The Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

Possible Trading Suspension or Delisting

The Exchange may suspend from trading or delist the securities of the Company where the Company has failed to complete a Qualifying Transaction within the 24 months of the date of listing or if the Company fails to meet initial listing requirements of the Exchange upon Completion of the Qualifying Transaction. Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing an interim cease trade order against the Company. In addition, delisting of the common shares will result in the cancellation of all of the currently issued and outstanding common shares of the Company held by Insiders. Trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required.

Halt of Trading

Upon public announcement of a potential Qualifying Transaction, trading in the common shares of the Company will be halted and will remain halted until completion of a Qualifying Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Qualifying Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval, as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction; the Exchange may not approve a Qualifying Transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon completion of a Qualifying Transaction;
- (b) if, following completion of a Qualifying Transaction, the Company will be a finance company or a mutual fund as defined under applicable securities laws;
- (c) the consideration proposed to be paid by the Company in connection with the Qualifying Transaction is not acceptable to the Exchange; or
- (d) for any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change and subscribers may suffer dilution of their investment.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Directors and Officers

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Additionally, directors and officers of the Company may also serve as directors and/or officers of other reporting issuers from time to time.

The Company has not purchased "key-man" insurance, nor has it entered into non-competition and non-disclosure agreements with management and has no current plans to do so.

Foreign Acquisition

In the event the Company identifies a foreign business as a proposed Qualifying Transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

Loans or Advances

Subject to prior acceptance from the Exchange, the Company may be permitted to loan or advance up to an aggregate of \$250,000 (\$25,000 without prior Exchange approval) of its proceeds to a target business without requiring shareholder approval and there can be no assurance that the Company will be able to recover the loan or advance.

APPENDIX "C"

FINANCIAL STATEMENTS AND MD&A OF INOLIFE R&D INC.

Find attached the audited financial statements and MD&A of Inolife for the years ended December 31, 2018, 2019 and 2020, and the unaudited financial statements and MD&A for the interim period ended June 30, 2021.

Inolife R&D Inc.

Financial Statements

December 31, 2018

(expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Inolife R&D Inc.:

Opinion

We have audited the financial statements of Inolife R&D Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2018 and December 31, 2017, and the statements of loss and comprehensive loss, changes in equity and cash flows for the year ended December 31, 2018 and for the period from September 5, 2017 (date of incorporation) to December 31, 2017, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and December 31, 2017, and its financial performance and its cash flows for the year ended December 31, 2018 and for the period from September 5, 2017 (date of incorporation) to December 31, 2017 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss and comprehensive loss for the period ended December 31, 2018 of \$1,791,799 and had accumulated a deficit of \$2,871,448. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

COMPTABILITÉ > CONSULTATION > FISCALITÉ
ACCOUNTING > CONSULTING > TAX

23E ÉTAGE, 1155, BOUL. RENÉ-LÉVESQUE O, MONTRÉAL QC, H3B 2K2
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As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Montréal, Québec

October 9, 2019

MNP¹ SENCRL, s.r.l.

¹ CPA auditor, CA, public accountancy permit no. A129650

Inolife R&D Inc.
Statements of Financial Position
As at December 31, 2018
(Expressed in Canadian dollars)

	2018	2017
	\$	\$
ASSETS		
Current		
Cash	2,010,142	831,671
Cash held in trust	5,000	-
Accounts receivable (Note 12)	4,000	4,000
Sales tax recoverable	45,612	17,026
Prepaid expenses	15,161	-
	2,079,915	852,697
Non-Current		
Property and equipment (Note 7)	4,078	3,432
Intangible assets (Note 6)	127,774	7,210
	131,852	10,642
	2,211,767	863,339
LIABILITIES AND EQUITY		
Current		
Accounts payable and other liabilities (Notes 8 and 12)	330,038	70,195
Due to a director (Note 12)	26,455	-
Loan payable	50,000	-
Related party debt (Note 12)	-	119,502
Convertible debt (Note 11)	248,849	342,179
Current portion of royalty obligation (Note 9)	95,604	47,802
	750,946	579,678
Non-Current		
Royalty obligation (Note 9)	202,393	236,839
	953,339	816,517
Equity		
Share capital (Note 10)	3,423,235	931,796
Reserves (Note 10)	706,641	212,862
Retained earnings (deficit)	(2,871,448)	(1,097,836)
	1,258,428	46,822
	2,211,767	863,339

Nature of operations and going concern (Note 1)
Subsequent events (Note 17)

On behalf of the Board of Directors:

Signed "Michael Wright"
Michael Wright
Director

Signed "John Leombruno"
John Leombruno
Director

The accompanying notes are an integral part of these financial statements.

Inolife R&D Inc.**Statements of Loss and Comprehensive Loss**

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

	2018	2017
	\$	\$
Operating expenses		
Sales and marketing	582,572	32,926
Salaries and benefits	376,378	22,995
General and administrative	63,410	92,189
Professional fees	539,916	46,401
Depreciation expense	1,288	585
Share based payment expense (Note 10)	98,538	8,166
(Gain) loss on foreign exchange	(7,175)	260
Total Operating Expenses	1,654,927	203,522
Financial expenses (Note 13)	136,872	34,806
Net loss and comprehensive loss	(1,791,799)	(238,328)
Loss per share - basic and diluted	(0.02)	(0.00)
Weighted average number of common shares outstanding - basic and diluted	117,908,044	58,186,325

The accompanying notes are an integral part of these financial statements.

Inolife R&D Inc.

Statements of Changes in Equity

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

	Note	Number of Shares	Share Capital \$	Reserves \$	Retained earnings (deficit) \$	Total equity \$
Balance, January 1, 2018		102,450,000	931,796	212,862	(1,097,836)	46,822
Net comprehensive loss					(1,791,799)	(1,791,799)
Issuance of shares - on debt conversion	11	2,600,000	121,283	(18,187)	18,187	121,283
Issuance of shares – private placements, net of issue costs of \$55,749	10	36,897,621	2,783,584	-	-	2,783,584
Broker warrants issued	10		(4,214)	4,214	-	-
Warrants issued	10	-	(409,214)	409,214	-	-
Share base payments	10	-	-	98,538	-	98,583
Balance, December 31, 2018		141,947,621	3,423,235	706,641	(2,871,448)	1,258,428

	Note	Number of Shares	Share Capital \$	Reserves \$	Retained earnings (deficit) \$	Total equity \$
Balance, September 5, 2017		-	-	-	-	-
Net comprehensive loss		-	-	-	(238,328)	(238,328)
Capital contributions		-	-	-	(859,508)	(859,508)
Issuance of convertible debt	11	-	-	80,192	-	80,192
Issuance of founder shares	10	20,000,000	4,000	-	-	4,000
Issuance of shares – acquisition of assets	10	60,000,000	11,800	-	-	11,800
Issuance of shares – private placement, net of issue costs of \$82,000	10	22,450,000	1,040,500	-	-	1,040,500
Warrants issued	10	-	(124,504)	124,504	-	-
Share base payments	10	-	-	8,166	-	8,166
Balance, December 31, 2017		102,450,000	931,796	212,862	(1,097,836)	46,822

The accompanying notes are an integral part of these financial statements.

Inolife R&D Inc.**Statements of Cash Flows**

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

	2018	2017
	\$	\$
Operating activities		
Net loss for the period	(1,791,799)	(238,328)
Adjustments to reconcile net loss to cash used in operating activities:		
Share-based payments	98,538	8,166
Depreciation	1,288	585
Accretion on royalty obligation	63,356	13,463
Accretion expense on convertible debt	27,824	8,133
Foreign exchange	(7,175)	260
Changes in non-cash working capital		
Royalty obligation	(50,000)	-
Sales taxes recoverable	(28,586)	(17,026)
Prepaid expenses	(15,161)	-
Accounts payable and other liabilities	275,699	70,195
Due to a director	26,455	-
Cash used in operating activities	(1,399,561)	(154,552)
Investing activities		
Acquisition of technology and intellectual property	(120,564)	(50,000)
Acquisition of property and equipment	(1,934)	(4,017)
Cash provided from investing activities	(122,498)	(54,017)
Financing activities		
Proceeds of issuance of capital stock, net of issue costs	2,778,585	1,040,500
Loan payable	50,000	-
Related party debt	(119,502)	-
Interest on convertible debentures	(15,728)	-
Cash provided from financing activities	2,693,355	1,040,500
Effect of foreign exchange rates on cash	7,175	(260)
Change in cash during the period	1,178,471	831,671
Cash, beginning of the period	831,671	-
Cash, end of the period	2,010,142	831,671

The accompanying notes are an integral part of these financial statements.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Inolife R&D Inc., (“Inolife” or “the Company”) was incorporated under the laws of Ontario on September 5, 2017. The Company’s registered address and principal place of business is located at 1801-1 Yonge Street, Toronto, ON, M5E 1W7.

Inolife R&D Inc. is a medical device manufacturing company specializing in the field of needleless injections and related technologies.

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations.

The Company incurred a net loss for the year ended December 31, 2018 of \$1,791,799 and had accumulated a deficit of \$2,871,448. As the Company continues to develop its core technology and proceeds into the manufacturing stage, it will require additional financing to meet its working capital requirements. As the Company is still in its start-up phase, material conditions exist that may cast significant doubt on the Company’s ability to continue as a going concern. Management actively manages its forecasted cash requirements and has determined that the Company has adequate resources to continue as a going concern through to the end of 2019.

These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The 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 IFRS Interpretations Committee (“IFRIC”).

These financial statements were approved and authorized by the Board of Directors of the Company on September 24, 2019.

2.2 Basis of presentation

The financial statements have been prepared on the historical cost basis. The Company’s reporting and functional currency is Canadian dollars, which is the currency of the primary economic environment in which the Company operates.

2.3 Use of management estimates, judgements and measurement uncertainty

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

a) The following areas require management's critical estimates:

Calculation of share-based payments

The Company measures the cost of share-based payments, either equity or cash-settled, by reference to the fair value of the equity instrument or underlying equity instrument at the date on which they are granted. Estimating fair value for share-based payments requires management to determine the most appropriate valuation model for a grant, which is dependent on the terms and conditions of each grant. The Black-Scholes option pricing model is used to determine the fair value for the stock options and warrants and utilizes subjective assumptions such as stock price volatility and expected life of the option or warrant. Details of the assumptions used are included in Note 10.

Recognition of deferred tax assets and measurement of income tax expense

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on assessment of the Company's ability to use the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. If changes were made to management's assessment regarding the Company's ability to use future tax deductions, the Company could be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Convertible debt

Convertible debentures are separated into their liability and equity components on the statement of financial position. The liability component is initially recognized at fair value, calculated as the net present value of the liability, using estimated interest rates based upon non-convertible debt issued by comparable issuers, and accounted for at amortized cost using the effective interest rate method (Note 11).

b) The following area requires management's critical judgment:

Going concern

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment-based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 1 for further information.

Intangible assets

Significant judgements are made in determining the useful lives and recoverable amounts of the Corporation's intangible assets, and in evaluating whether certain events or circumstances represent objective evidence of impairment. Estimates of the recoverable amounts of the intangible assets rely on certain factors such as future cash flows and discount rates. Future cash flows are based on sales projections and costs which are estimated based on forecasted results while discount rates are based on the Corporation's cost of capital. Future outcomes may be materially different than those assumptions used in the impairment assessment and therefore could have a significant effect on the results of the Corporation.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Management uses its judgment to determine whether costs incurred meet the criteria to be recorded as an intangible asset.

Expenditures incurred for preparing and filing for regulatory approval are capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable that a marketing authorization from the Canadian or United States health authorities will be granted. The likelihood of regulatory approval is reviewed and adjusted for, should facts and circumstances change.

Development costs are capitalized as a part of intangible assets only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

2.4 New and revised standards

Accounting standards issued but not yet effective

At the date of authorization of these Financial Statements, the IASB and IFRS Interpretations Committee (IFRIC) have issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods and which the Company has not early adopted.

IFRIC 23 Uncertainty over income tax treatment

Issued by the IASB in June 2017 and provides guidance as to when it is appropriate to recognize a current tax asset when the taxation authority requires an entity to make an immediate payment related to an amount in dispute. This interpretation applies for annual reporting periods beginning on or after January 1, 2019. Management does not anticipate a significant impact on adoption of this interpretation as there are no outstanding disputes with taxation authorities.

IFRS 16 Leases

In January 2016, the IASB issued IFRS 16 Leases ("IFRS 16") which is effective on January 1, 2019 and replaces IAS 17 Leases ("IAS 17") and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is less than 12 months or the underlying asset has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating leases and finance leases being retained. The Company will adopt IFRS 16 effective January 1, 2019, using the modified retrospective approach and will elect to use the exemptions proposed by the standard on lease contracts for which lease terms end within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. The right-of-use assets and lease liabilities that the Company expects to recognize are estimated to be within a range of approximately \$45,000 to \$55,000, with no material net impact on opening retained earnings. However, the Company is still currently assessing the impact of this standard on its financial statements.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

3.1 Cash and cash held in trust

The Company's cash is deposited with a major Canadian bank and the cash held in trust is the balance due to the Company in conjunction with the recent equity financing.

3.2 Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation and any impairment in value. Depreciation is charged to income based on the cost. When significant parts of property and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation, respectively.

Depreciation of property and equipment is provided over the remaining useful lives of the assets using the declining balance method as follows:

- Computer equipment – 30%
- Furniture and fixtures – 20%

The asset's residual values, depreciation method and useful lives are reviewed annually and adjusted if appropriate. Gains and losses on disposal of property and equipment are recorded in the statement of profit or loss in the year of disposal.

3.3 Intangible Assets

Development expenditures are capitalized as a part of intangible assets only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditures incurred for preparing and filing a product submission are also capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable, i.e. that approval of a marketing authorization from the Canadian or United States health authorities will be granted.

Separately acquired patents and licenses are recorded at cost less accumulated amortization and any accumulated impairment charges. These assets have finite useful lives. These costs will be amortized over the term of their respective patents and licenses.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Impairment of non-financial assets

The Company assesses, at each reporting period, whether there is an indication that an asset may be impaired. An impairment is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value or CGU's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs to sell, an appropriate valuation model is used.

Intangible assets with indefinite lives are tested annually; property and equipment, as well as intangible assets with a defined useful life are tested for impairment whenever there is an indication that the carrying amount of the asset or the CGU to which an asset has been allocated exceeds its recoverable amount. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the recoverable amount of the asset. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognized. The reversal of impairment losses is limited to the amount that would bring the carrying value of the asset to the amount that would have been recorded, net of amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of profit or loss in the same line item where the original impairment was recognized.

Intangible assets not yet available for use are reviewed for impairment at least annually or more frequently if circumstances such as significant declines in expected sales, earnings or cash flows indicate that it is more likely than not that the asset might be impaired.

3.5 Equity

The Company's common shares, warrants and options are classified as equity instruments. Incremental costs directly related to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Financial Instruments

Effective January 1, 2018, the Corporation adopted IFRS 9, Financial Instruments (replacement of IAS 39) ("IFRS 9"). In July 2014, the IASB issued the final publication of the IFRS 9 standard, which supersedes IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 includes revised guidance on the classification and measurement of financial instruments, new guidance for measuring impairment on financial assets, and new hedge accounting guidance. The Corporation has adopted IFRS 9 on a retrospective basis, however, this guidance had no material impact to the Corporation's consolidated financial statements.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL").

The new hedge accounting guidance had no impact on the Corporation's consolidated financial statements.

Below is a summary showing the classification and measurement bases of our financial instruments as at January 1, 2018 as a result of adopting IFRS 9 (along with comparison to IAS 39).

Classification	IAS 39	IFRS 9
Cash	Loans and receivables	Amortized Cost
Accounts receivable	Loans and receivables	Amortized Cost
Accounts payable and other liabilities	Other liabilities at amortized cost	Amortized Cost
Due to a director	Other liabilities at amortized cost	Amortized Cost
Loan payable	Other liabilities at amortized cost	Amortized Cost
Related party debt	Other liabilities at amortized cost	Amortized Cost
Convertible debt	Other liabilities at amortized cost	Amortized Cost
Royalty obligation	Other liabilities at amortized cost	Amortized Cost

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts and breaches of borrowing contracts such as default events or breaches of borrowing covenants. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of the financial asset. Given the limited exposure of the Company to credit risk, no loss allowance has been recognized as management believes any such impairment will not have a significant impact on the financial statements.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

3.7 Taxation

Income tax (expense) recovery represents the sum of tax currently payable or recoverable and deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred tax

Income tax expense consisting of current and deferred tax expense is recognized in profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Basic and diluted loss per share

The basic loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options or warrants, in the weighted average number of common shares outstanding during the period, if dilutive. The “treasury stock method” is used for the assumed proceeds upon the exercise of the options that are used to purchase common shares at the average market price during the year. Shares to be issued have been considered outstanding for the purposes of basic loss per share calculations.

3.9 Share-based payments

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (“the vesting date”). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company’s best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share-based payments reserve.

4. CAPITAL MANAGEMENT

The Company manages its common shares and accumulated deficit as capital. The Company’s objectives when managing capital are to safeguard the Company’s ability to continue and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk, as there are no external restrictions on it.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets in order to adjust the amount of cash on its balance sheet.

In order to facilitate the management of its capital requirements, the Company may prepare expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Inolife R&D Inc.

Notes to the Financial Statements

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5. FAIR VALUE

Fair value of financial instruments

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level 1 (“L1”) includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 (“L2”) includes inputs that are observable other than quoted prices included within L1.
- Level 3 (“L3”) includes inputs that are not based on observable market data (supported by little or no market activity).

As at December 31, 2018, both the carrying and fair value amounts of the Company's cash, accounts receivable, accounts payable and other liabilities, loan payable, related party and convertible debt, and royalty obligation are approximately equivalent due to their short-term nature.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at December 31, 2018 is the carrying value of cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. All amounts in accounts payable and other liabilities of \$330,038 at December 31, 2018 and \$70,195 at December 31, 2017 are due within one year or upon maturity in the case of interest payable.

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is not exposed to any significant interest rate price risk.

Inolife R&D Inc.

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5. FAIR VALUE AND FINANCIAL RISK FACTORS (continued)

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of their accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The company is exposed to unrealized foreign exchange risk through its U.S. dollar (USD) cash holdings. At December 31, 2018, a 10% change in the USD foreign exchange rate would result in an unrealized gain or loss of approximately \$3,700.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

6. INTANGIBLE ASSETS

Upon inception, the Company entered into agreements for the transfer of technology and related associated costs. The transfer included the following items: the intellectual property and rights to the Inojex (liquid injection) and Nanojex (powder injection) technologies, start-up costs, convertible debt, and related party debt.

During 2017, as part of the transfer agreements in exchange for the technology acquired and associated costs, the Company issued 60,000,000 common shares (Note 10a) and was considered to be a common control transaction and therefore the transfer of items into the Company was accounted for as a capital contribution by the shareholders in their capacity as owners at their carrying amounts.

36,050,000 shares were issued to acquire the Inojex technology which resulted in an amount of \$7,210 recognized as an intangible asset.

1,000,000 shares were issued to acquire the Nanojex technology and the Company assumed the associated obligation to make royalty payments which resulted in an amount of \$321,178 recognized as a capital contribution.

22,950,000 shares were issued and \$414,238 of convertible loans (Note 11) were assumed to compensate the previous owners of the technologies for various costs that had been incurred regarding the development of the technologies which resulted in an amount of \$538,338 recognized as a capital contribution.

During 2018, \$107,518 of engineering and process costs associated with the development of the Inojex technology and manufacturing were capitalized, while \$13,046 of Nanojex-related IP costs were capitalized.

Inolife R&D Inc.**Notes to the Financial Statements**

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
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6. INTANGIBLE ASSETS (continued)

	Inojex Technology	Nanojex Technology	Total
Cost			\$
Balance – December 31, 2017	7,210	-	7,210
Addition – Inojex rights	107,518	-	107,518
Addition – Nanojex rights		13,046	13,046
Balance – December 31, 2018	114,728	13,046	127,774
Accumulated amortization			
Amortization	-	-	-
Balance – December 31, 2018	-	-	-
Carrying value, December 31, 2018	114,728	13,046	127,774

	Inojex Technology	Nanojex Technology	Total
Cost			\$
Balance – September 5, 2017	-	-	-
Addition – shares issued in exchange for technology transfer (Note 10)	7,210	-	7,210
Balance – December 31, 2017	7,210	-	7,210
Accumulated amortization			
Amortization	-	-	-
Balance – December 31, 2017	-	-	-
Carrying value, December 31, 2017	7,210	-	7,210

No amortization was taken on the intangible assets in the years ended 2018 or 2017 as the assets were not yet available for use.

An annual impairment test was performed due to the fact the assets are not yet in use and the carrying amounts were compared with the assets' recoverable amounts. The recoverable amount was estimated to be higher than the carrying amount of the asset and no impairment was required.

Inolife R&D Inc.**Notes to the Financial Statements**

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
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7. PROPERTY AND EQUIPMENT

	Computer Equipment	Furniture & Fixtures	Total \$
Cost			
Balance – December 31, 2017	3,669	348	4,017
Additions	1,934	-	1,934
Balance – December 31, 2018	5,603	348	5,951
Accumulated depreciation			
Balance – December 31, 2017	550	35	535
Depreciation	1,226	62	1,288
Balance – December 31, 2018	1,776	97	1,873
Carrying value, December 31, 2018	3,827	251	4,078

	Computer Equipment	Furniture & Fixtures	Total \$
Cost			
Balance – September 5, 2017	-	-	-
Additions	3,669	348	4,017
Balance – December 31, 2017	3,669	348	4,017
Accumulated depreciation			
Balance – September 5, 2017	-	-	-
Depreciation	550	35	585
Balance – December 31, 2017	550	35	585
Carrying value, December 31, 2017	3,119	313	3,432

Inolife R&D Inc.

Notes to the Financial Statements

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8. ACCOUNTS PAYABLE & OTHER LIABILITIES

	2018
Accounts payable	282,124
Interest payable on convertible debentures	43,173
Other payables	4,741
Balance, December 31, 2018	330,038
	2017
Accounts payable	46,151
Interest payable on convertible debentures	13,210
Other payables	10,834
Balance, December 31, 2017	70,195

All amounts in accounts payable are due within one year.

9. ROYALTY OBLIGATION

	December 31 2018	December 31 2017
Royalty obligation	234,641	271,178
Add: Accretion expense	63,356	13,463
Total royalty obligation	297,997	284,641
Less: current portion	(95,604)	(47,802)
Non-current portion	202,393	236,839

The Company entered into a royalty payment agreement with TransferTech Sherbrooke ("TTS") relating to the use and transfer of all rights, titles and interests associated with the Company's powder injection (Nanorex) technology. In exchange for the rights and an option to acquire the technology, the Company has agreed to a royalty rate of 5% on sales made from the technology, with minimum royalty payments to be made annually, the present value of which have been recorded as a liability. The term of the agreement is indefinite and the Company retains the option to buy the technology from TTS until March 31, 2021 for an agreed price of \$3,000,000. Upfront fees, minimum royalty payments and associated taxes due totaled \$56,500 in 2018 and \$56,500 in 2017.

A payment of \$50,000 towards the royalty obligation was made in 2018. As a result, the present value of the remaining royalty obligation was reduced to \$234,641 at December 31, 2018 from \$284,641 at December 31, 2017.

The accretion expense on the royalty obligation is calculated using the present value of the remaining royalty obligations calculated over the estimated obligation period of 3.5 years using a discount rate of 20%.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
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10. SHAREHOLDER'S EQUITY

The following details the share capital of Inolife R&D Inc.

Authorized: An unlimited number of common shares.

a) *Share Capital Authorized*

Movements in the company's share capital are as follows:

	Number of Shares	Amount \$
Balance, December 31, 2017	102,450,000	931,796
Shares issued for private placements	36,897,621	2,839,333
Shares issued on debt conversion	2,600,000	121,283
Warrants issued	-	(409,214)
Broker warrants issued	-	(4,214)
Share issue costs	-	(55,749)
Balance, December 31, 2018	141,947,621	3,423,235

	Number of Shares	Amount \$
Balance, September 5, 2017	-	-
Shares issued for assets	60,000,000	11,800
Shares issued for private placements	22,450,000	1,122,500
Shares issued to founder	20,000,000	4,000
Warrants issued	-	(124,504)
Share issue costs	-	(82,000)
Balance, December 31, 2017	102,450,000	931,796

Inolife R&D Inc.

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10. SHAREHOLDER'S EQUITY (continued)

On September 22, 2017, the Company issued 20,000,000 common shares to the founders at \$0.0002 per share for a total amount of \$4,000. On September 25, 2017, the Company issued 23,950,000 common shares at agreed prices between \$0.05 and \$0.10 per share for a total amount of \$1,690,000. In relation to the transfer of assets into Inolife R&D Inc., on November 11, 2017, the Company issued 36,050,000 shares at an agreed value of \$0.05 per share for total amount of \$1,802,500. The carrying amount of the shares reflects carrying amount of the capital contributions disclosed in Note 6.

On November 17, 2017, a total of 22,450,000 shares were issued at an agreed price of \$0.05 as part of a private placement for a total cash consideration of \$1,040,500, net of \$82,000 of share issue costs. As part of the private placement, investors also received 11,225,000 warrants of the company exercisable at \$0.10 over a two-year period and were recorded in warrant reserve at the value attributed to them at the time of the issue of the private placement (\$108,633). 1,640,000 broker warrants were also issued in connection with the private placement and were valued at \$15,871 at the time of issue. The broker warrants are exercisable at \$0.10 per share over a two-year period following the closing date.

On March 12, 2018, the Company announced it entered into an LOI with Namaste Technologies, which on May 18, 2018 became a definitive agreement whereby Namaste is granted exclusive rights to the commercialization of Inolife's innovative needle-free technology for applications of medical cannabis, in accordance with Health Canada regulations. In connection with the agreement, Namaste purchased 2,000,000 units of Inolife, issued at a price of \$0.10 per unit. Each unit consists of one common share and one-half of one common share purchase warrant, with an exercise price of \$0.20 per full warrant for a period of 24 months from the Private Placement closing date.

On July 31, 2018, the Company closed a private placement round where it issued 28,347,621 common shares at a price of \$0.07 per share for total proceeds of \$1,984,333. As part of the private placement, investors also received 14,173,810 warrants of the company exercisable at \$0.10 over a three-year period.

During the period between August 2 and November 30, 2018, the Company issued 8,550,000 common shares at a price of \$0.10 per share in a rolling private placement round, for total proceeds of \$855,000. As part of the private placement, investors also received 4,275,000 warrants of the company exercisable at \$0.20 over a two-year period. The shares purchased by Namaste Technologies (detailed above) were included in this round.

On August 30, 2018, the convertible debt initially issued on September 25, 2017 in the amount of \$130,000 was fully converted to 2,600,000 common shares at a price of \$0.05.

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
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10. SHAREHOLDER'S EQUITY (continued)

b) Share Purchase Options

The Company has a stock option plan (the "Plan") under which the Company may grant options to directors, officers, employees and consultants. The number of shares to be reserved and set aside for issue under this plan is determined from time to time by the Board. All stock options granted in 2018 vest immediately and have a two-year term to expiry from the date of grant. The continuity of outstanding stock options outstanding is as follows:

	Number of stock options	Weighted average exercise price per share \$
Balance – December 31, 2017	540,000	0.054
Granted	3,830,000	0.083
Exercised	-	-
Expired/Cancelled	-	-
Balance – December 31, 2018	4,370,000	0.079

	Number of stock options	Weighted average exercise price per share \$
Balance – September 5, 2017	-	-
Granted	540,000	0.054
Exercised	-	-
Expired/Cancelled	-	-
Balance – December 31, 2017	540,000	0.054

Inolife R&D Inc.

Notes to the Financial Statements

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10. SHAREHOLDER'S EQUITY (continued)

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the share-based payments for the stock options issued during the year ended December 31, 2018:

Share Price	\$0.05	\$0.06	\$0.09	2018 Total
No. of options	1,870,000	45,000	1,915,000	3,830,000
Exercise price ranges	\$0.05 - \$0.20	\$0.10	\$0.07 - \$0.10	\$0.05 - \$0.20
Expected life in years	2	2	2	2
Volatility	79%	79%	79%	79%
Risk-free interest rate ranges	1.68%-1.93%	2.07%-2.08%	1.86%-2.33%	1.68%-2.33%
Dividend yield	-	-	-	-
Fair value of options granted	\$0.01	\$0.02	\$0.04	\$0.03

The volatility of the Company's shares is based on an average of share volatilities as reported by a selection of small-cap, publicly-traded peers operating within the needleless injection and general medical device space.

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the share-based payments for the stock options issued during the year ended December 31, 2017:

Share Price	\$0.05	2017 Total
No. of options	540,000	540,000
Exercise price ranges	\$0.05 - \$0.10	\$0.05 - \$0.10
Expected life in years	2	2
Volatility	78%	78%
Risk-free interest rate ranges	1.41%-1.52%	1.41%-1.52%
Dividend yield	-	-
Fair value of options granted	\$0.02	\$0.02

Inolife R&D Inc.**Notes to the Financial Statements**

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
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10. SHAREHOLDER'S EQUITY (continued)

The following table provides additional information about outstanding stock options at the end of December 31, 2018:

Exercise prices	No. of Options Outstanding	Weighted Average Remaining Life (Years)
\$0.05	1,030,000	1.2
\$0.07	650,000	1.6
\$0.10	2,640,000	1.6
\$0.20	50,000	1.3
\$0.08	4,370,000	1.4

c) Contributed surplus

The option and warrant reserve accounts have been created to record the offsetting credits of the share-based payment expense relating to the issuance of share options and warrants.

	December 31, 2018	December 31, 2017
	\$	\$
Option reserve	106,704	8,166
Equity component of convertibles	62,005	80,192
Warrant reserve	537,932	124,504
Total reserve	706,641	212,862

Inolife R&D Inc.

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10. SHAREHOLDER'S EQUITY (continued)

d) Warrants

During the year ended December 31, 2018, the Company issued 14,173,810 warrants in connection with a private placement offering a ½ warrant exercisable at \$0.10 over a three-year period for each share purchased. A further 4,275,000 warrants offering a ½ warrant exercisable at \$0.20 over a two-year period for each share purchased were also issued during the year, along with 210,000 broker warrants under the same terms. These warrants were recorded in warrant reserve at the value attributed to them at the time of the issue of the private placement being \$413,428. The continuity of outstanding share warrants is as follows:

	Number of warrants	Weighted average exercise price per share \$
Balance – December 31, 2017	12,865,000	0.10
Granted	18,658,810	0.12
Exercised	-	-
Expired/Cancelled	-	-
Balance – December 31, 2018	31,523,810	0.11

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the share-based payments for the share warrants issued during the year ended December 31, 2018:

Share Price	\$0.06	\$0.09	2018 Total
No. of warrants	14,173,810	4,485,000	18,658,810
Exercise price ranges	\$0.10	\$0.20	\$0.10 - \$0.20
Expected life in years	3	2	2 - 3
Volatility	79%	79%	79%
Risk-free interest rate ranges	2.1%	2.08%-2.31%	2.08%-2.31%
Dividend yield	-	-	-
Fair value of options granted	\$0.02	\$0.02	\$0.02

The volatility of the Company's shares is based on an average of share volatilities as reported by a selection of small-cap, publicly-traded peers operating within the needleless injection and general medical device space.

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10. SHAREHOLDER'S EQUITY (continued)

During the year ended December 31, 2017, the Company issued 11,225,000 warrants and 1,640,000 broker warrants in connection with a private placement offering a ½ warrant exercisable at \$0.10 over a two-year period for each share purchased. These warrants were recorded in warrant reserve at the value attributed to them at the time of the issue of the private placement being \$124,504. The continuity of outstanding share warrants is as follows:

	Number of warrants	Weighted average exercise price per share (\$)
Balance – September 5, 2017	-	-
Granted	12,865,000	0.10
Exercised	-	-
Expired/Cancelled	-	-
Balance – December 31, 2017	12,865,000	0.10

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the share-based payments for the share warrants issued during the year ended December 31, 2017:

Share Price	\$0.05	2017 Total
No. of warrants	12,865,000	12,865,000
Exercise price ranges	\$0.10	\$0.10
Expected life in years	2	2
Volatility	78%	78%
Risk-free interest rate ranges	1.44%	1.44%
Dividend yield	-	-
Fair value of options granted	\$0.01	\$0.01

The following table provides additional information about outstanding share warrants at the end of December 31, 2018:

Exercise prices	No. of Warrants Outstanding	Weighted Average Remaining Life (Years)
\$0.10	27,038,810	1.8
\$0.20	4,485,000	1.7
\$0.11	31,523,810	1.8

Inolife R&D Inc.

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11. CONVERTIBLE DEBT

With the creation of the Company on September 5, 2017, two pre-existing convertible debentures were transferred from a special purpose vehicle that was designed to facilitate the transfer of intellectual property and rights to the current Company.

One debenture is in the amount of \$284,238 and carries a 12% per annum interest rate with the capital and interest payable on October 20, 2020. The debt is convertible into common shares of the Company at the option of the borrower at a price of \$0.05 per share.

On the transaction date, the fair value of the debt component of the convertible debenture was estimated at \$222,233. The Company allocated the fair value of the convertible debenture to the debt component by discounting the future cash flows using a discount rate of 20%. The difference between the fair value of the convertible debenture and the proceeds in the amount of \$284,238 was allocated to the equity component.

On August 30, 2018, the convertible debt initially issued on September 25, 2017 in the amount of \$130,000 was fully converted to 2,600,000 common shares at a price of \$0.05. Upon conversion, \$18,187 was transferred from equity to retained earnings (deficit).

The following table summarizes the components of the convertible debt:

	<i>Liability Component</i>	<i>Equity Component</i>
Balance, September 5, 2017		
Transfer-in of convertible debentures	334,046	80,192
Accretion expense	8,133	-
Balance, December 31, 2017	342,179	80,192
Conversion of debentures to shares	(121,154)	(18,187)
Accretion expense	27,824	-
Balance, December 31, 2018	248,849	62,005

Inolife R&D Inc.

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12. RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Compensation awarded to key management includes the following:

	Year ended December 31, 2018 \$	For the period from September 5 to December 31, 2017 \$
Balances:		
Short-term employee benefits	413,951	20,000
Share-based payments - options	12,607	-
Total compensation to key management	426,558	20,000

During the course of 2018, key management personnel earned total compensation in the amount of \$426,558 compared to \$20,000 in 2017. In addition, the Company received legal services during the course of normal business activities in 2018 in the amount of \$66,315 from a law firm of which a director of the Company is a partner (\$29,425 in 2017).

Balances owed to key management include the following:

Included in accounts payable and other liabilities was \$4,741 due to key management for reimbursement of expenses and board-related fees incurred during the year ended December 31, 2018.

An outstanding interest-bearing short-term loan from a director of the Company in the amount \$119,502 was repaid in full on August 22, 2018.

Loans to key management include the following:

Receivables include an amount of \$4,000 due from directors and without interest. The loans are associated with a share issuance from Treasury to two separate entities, both operating individually but within arms-length of two different directors of the Company.

\$26,455 relates to salary and bonuses due to a director in his capacity as CEO for services provided in 2018.

13. FINANCIAL EXPENSES

Financial expenses include the following:

	Year ended December 31, 2018 \$	For the period from September 5 to December 31, 2017 \$
Balances:		
Interest expense on convertible debt	45,692	13,210
Accretion expense on convertible debt	27,824	8,133
Accretion expense on royalty obligation	63,356	13,463
Total financial expenses	136,872	34,806

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14. INCOME TAXES

Income tax recovery differs from the amount that would be computed by applying the Canadian statutory income tax rate of 26.5% to income before taxes. The reasons for the differences are as follows:

	Year ended December 31, 2018 \$	For the period from September 5 to December 31, 2017 \$
Loss before taxes	(1,791,799)	(238,328)
Statutory tax rate	26.5%	26.5%
Expected income recovery	(474,827)	(63,157)
Items not deductible for income tax purposes and other	31,163	(1,292)
Unrecognized deductible temporary differences	443,664	64,449
Income tax recovery	-	-

The significant components of the deferred tax assets and (liabilities) of the Company are as follows:

	Year ended December 31, 2018 \$			
	Opening balance	Recognized in equity	Recognized in Profit or Loss	Closing balance
Deferred tax assets (liabilities):				
Share issue costs	19,096	-	(9,717)	9,379
Convertible debt	(19,096)	-	9,717	(9,379)
	-	-	-	-

	Year ended December 31, 2017 \$			
	Opening balance	Recognized in equity	Recognized in Profit or Loss	Closing balance
Deferred tax assets (liabilities):				
Share issue costs	-	21,251	(2,155)	19,096
Convertible debt	-	(21,251)	2,155	(19,096)
	-	-	-	-

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14. INCOME TAXES (continued)

The Company's deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	Year ended December 31, 2018	Year ended December 31, 2017
	\$	\$
Property and equipment	1,862	585
Share issue costs	84,550	19,289
Non-capital losses	1,823,315	209,867
Intangibles	76,357	13,463
Unrecognized deductible temporary differences	1,986,084	243,204

The company's unrecognized non-capital tax losses have the following expiry dates:

2038	1,613,172
2037	210,143
Total	1,823,315

15. FINANCIAL INSTRUMENTS

The Company does not acquire, hold or issue derivative financial instruments for trading purposes. The following table presents the classification, measurement subsequent to initial recognition, carrying values and fair values (where applicable) of financial assets and liabilities.

Classification	Measurement	Carrying Value 31-Dec 2018	Fair Value 31-Dec 2018	Carrying Value 31-Dec 2017	Fair Value 31-Dec 2017
Financial Assets					
Cash, including cash held in trust	Amortized cost	2,015,142	2,015,142	831,671	831,671
Accounts receivable	Amortized cost	4,000	4,000	4,000	4,000
		2,019,142	2,019,142	835,671	835,671
Financial Liabilities					
Accounts payable and other liabilities	Amortized cost	330,038	330,038	70,195	70,195
Due to a director	Amortized cost	26,455	26,455	-	-
Loan payable	Amortized cost	50,000	50,000	-	-
Related party debt		-	-	119,502	119,502
Convertible debt	Amortized cost	248,849	248,849	342,179	342,179
Current portion of royalty obligation	Amortized cost	95,604	95,604	47,802	47,802
Long-term portion of royalty obligation	Amortized cost	202,393	202,393	236,839	236,839
		953,339	953,339	816,517	816,517

Inolife R&D Inc.

Notes to the Financial Statements

For the year ended December 31, 2018 and the period from September 5, 2017 to December 31, 2017
(Expressed in Canadian dollars)

15. FINANCIAL INSTRUMENTS (continued)

Short-term financial instruments, comprising cash, accounts receivable, accounts payable and other liabilities, amounts due to a director, loan payable, convertible debt and the current portion of royalty obligation are carried at amortized cost which, due to their short-term nature, approximates their fair value. Long-term financial instruments consist of the long-term portion of royalty obligation, where the fair value is based upon discounted future cash flows using a discount rate, adjusted for the Company's own credit risk, that reflects current market conditions for instruments with similar terms and risks.

16. COMMITMENTS

The Company signed a 2-year commercial office lease with the NeoMed Institute beginning on November 1, 2018 and expiring on October 31, 2020. The minimum lease payments amount to \$59,805 for the remaining term of the lease.

17. SUBSEQUENT EVENTS

In accordance with the outstanding royalty payment agreement with TransferTech Sherbrooke ("TTS") relating to the use and transfer of all rights, titles and interests associated with the Company's powder injection (Nanoxel) technology, a minimum royalty payment of \$100,000 plus applicable sales taxes was fully paid to TTS on August 9, 2019.

On July 31, 2019, the Company approved a share purchase agreement with Care4Pharma B.V., to purchase all the issued and outstanding shares of the Netherlands-based company, European Pharma Group B.V. and its subsidiaries European Pharma Group Shenzhen Ltd and European Pharma Group Hong Kong Ltd. The consideration payable by the Company to Care4Pharma,

B.V. will be EUR 12,000,000 consisting of; (i) EUR 2,000,000 in cash at closing; (ii) a convertible debenture of EUR 6,000,000; (iii) shares in the Company (Inolife Shares) representing EUR 3,000,000; (iv) EUR 1,000,000 in cash paid within 16 months of the deal's closing, subject to performance milestones.

On September 3, 2019, an outstanding receivables balance in the amount of \$2,160 was paid by an entity operating individually but within arms-length of a director of the Company. This repayment relates to a share issuance from Treasury made at the time of the Company's founding.

As of October 9, 2019, a total of 480,000 options have been issued subsequent to year-end 2018. These options have been issued to employees, directors and consultants working with the Company. All options vest immediately, have an expiry life of two years and have exercise prices ranging from \$0.10-\$0.20.

Inolife R&D Inc.

Financial Statements

December 31, 2019 and 2018

(expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Inolife R&D Inc.:

Opinion

We have audited the financial statements of Inolife R&D Inc. (the "Company"), which comprise the statements of financial position as at December 31, 2019 and December 31, 2018, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and December 31, 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that during the year ended December 31, 2019, the Company incurred a net loss of \$1,982,755 and has accumulated a deficit of \$5,346,471 at December 31, 2019. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis. Management's Discussion and Analysis is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.

When we read Management's Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Montréal, Québec

November 6, 2020

MNP ¹ SENCRL, s.r.l.

¹ CPA auditor, CA, public accountancy permit No. A129650

Inolife R&D Inc.
Statements of Financial Position
As at December 31
(Expressed in Canadian dollars)

	2019	2018
	\$	\$
ASSETS		
Current		
Cash	1,941	2,010,142
Cash held in trust	-	5,000
Accounts receivable (Note 12)	2,340	4,000
Sales tax recoverable	183,935	45,612
Income tax recoverable	110,798	-
Prepaid expenses	28,525	15,161
	327,539	2,079,915
Non-Current		
Property and equipment (Note 7)	2,879	4,078
Intangible assets (Note 6)	184,932	127,774
Right-of-use asset (Note 7)	23,363	-
	211,174	131,852
	538,713	2,211,767
LIABILITIES AND EQUITY		
Current		
Accounts payable and other liabilities (Note 8)	656,476	330,038
Due to a director (Note 12)	4,512	26,455
Lease liability (Note 11)	24,628	-
Loan payable	50,000	50,000
Convertible debt (Note 11)	269,162	248,849
Current portion of royalty obligation (Note 9)	143,334	95,604
	1,148,112	750,946
Non-Current		
Royalty obligation (Note 9)	99,538	202,393
	1,247,650	953,339
Equity		
Share capital (Note 10)	3,423,235	3,423,235
Reserves (Note 10)	1,214,299	706,641
Retained earnings (deficit)	(5,346,471)	(2,871,448)
	(708,937)	1,258,428
	538,713	2,211,767

Nature of operations and going concern (Note 1)

Subsequent events (Note 17)

On behalf of the Board of Directors:

Signed "Michael Wright"

Michael Wright
Director

Signed "John Leombruno"

John Leombruno
Director

The accompanying notes are an integral part of these financial statements.

Inolife R&D Inc.**Statements of Loss and Comprehensive Loss***For the years ended December 31, 2019 and 2018**(Expressed in Canadian dollars)*

	2019	2018
	\$	\$
Operating expenses		
Sales and marketing	478,444	582,572
Salaries and benefits	408,023	376,378
General and administrative	47,342	63,410
Professional fees	948,308	539,916
Depreciation expense	1,199	1,288
Depreciation of Right-of-use asset	27,271	-
Share based payment expense (Note 10)	15,390	98,538
(Gain) loss on foreign exchange	17,777	(7,175)
Loss before other expenses (income)	1,943,754	1,654,927
Other expenses (income)		
Financial expenses (Note 13)	105,373	136,872
Other income	(66,372)	-
Net loss and comprehensive loss	(1,982,755)	(1,791,799)
Loss per share - basic and diluted	(0.01)	(0.02)
Weighted average number of common shares outstanding - basic and diluted	141,947,621	117,908,044

The accompanying notes are an integral part of these financial statements.

Inolife R&D Inc.

Statements of Changes in Shareholders' Equity

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

	Note	Number of Shares	Share Capital \$	Reserves \$	Retained earnings (deficit) \$	Total equity \$
Balance,						
January 1, 2019		141,947,621	3,423,235	706,641	(2,871,448)	1,258,428
Net comprehensive loss		-	-	-	(1,982,755)	(1,982,755)
Warrants extension	10	-	-	492,268	(492,268)	-
Share base payments	10	-	-	15,390	-	15,390
Balance,						
December 31, 2019		141,947,621	3,423,235	1,214,299	(5,346,471)	(708,937)

	Note	Number of Shares	Share Capital \$	Reserves \$	Retained earnings (deficit) \$	Total equity \$
Balance,						
January 1, 2018		102,450,000	931,796	212,862	(1,097,836)	46,822
Net comprehensive loss					(1,791,799)	(1,791,799)
Issuance of shares - on debt conversion	11	2,600,000	121,283	(18,187)	18,187	121,283
Issuance of shares – private placements, net of issue costs of \$55,749	10	36,897,621	2,783,584	-	-	2,783,584
Broker warrants issued	10		(4,214)	4,214	-	-
Warrants issued	10	-	(409,214)	409,214	-	-
Share base payments	10	-	-	98,538	-	98,538
Balance,						
December 31, 2018		141,947,621	3,423,235	706,641	(2,871,448)	1,258,428

The accompanying notes are an integral part of these financial statements.

Inolife R&D Inc.**Statements of Cash Flows***For the year ended December 31, 2019 and 2018**(Expressed in Canadian dollars)*

	2019	2018
	\$	\$
Operating activities		
Net loss for the period	(1,982,755)	(1,791,799)
Adjustments to reconcile net loss to cash used in operating activities:		
Share-based payments	15,390	98,538
Depreciation	1,199	1,288
Depreciation of right-of-use asset	27,271	
Accretion on royalty obligation	44,875	63,356
Accretion expense on convertible debt	20,313	27,824
Foreign exchange	17,777	(7,175)
Changes in non-cash working capital		
Accounts receivable	1,660	-
Sales taxes recoverable	(138,323)	(28,586)
Income tax receivable	(110,798)	-
Prepaid expenses	(13,364)	(15,161)
Accounts payable and other liabilities	331,438	275,699
Due to a director	(21,943)	26,455
Cash used in operating activities	(1,807,260)	(1,349,561)
Investing activities		
Acquisition of technology and intellectual property	(57,158)	(120,564)
Acquisition of property and equipment	-	(1,934)
Cash provided from investing activities	(57,158)	(122,498)
Financing activities		
Proceeds of issuance of capital stock, net of issue costs	-	2,778,585
Loan payable	-	50,000
Related party debt	-	(119,502)
Royalty obligation	(100,000)	(50,000)
Reduction of operating lease liability	(26,006)	-
Interest on convertible debentures	-	(15,728)
Cash provided from financing activities	(126,006)	2,643,355
Effect of foreign exchange rates on cash	(17,777)	7,175
Change in cash during the period	(2,008,201)	1,178,471
Cash, beginning of the period	2,010,142	831,671
Cash, end of the period	1,941	2,010,142

The accompanying notes are an integral part of these financial statements.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Inolife R&D Inc., (“Inolife” or “the Company”) was incorporated under the laws of Ontario on September 5, 2017. The Company’s registered address and principal place of business is located at 1801-1 Yonge Street, Toronto, ON, M5E 1W7.

Inolife R&D Inc. is a medical device manufacturing company specializing in the field of needleless injections and related technologies.

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations.

The Company incurred a net loss for the year ended December 31, 2019 of \$1,982,755 and has accumulated a deficit of \$5,346,471. As the Company continues to develop its core technology and proceeds into the manufacturing stage, it will require additional financing to meet its working capital requirements. As the Company is still in its start-up phase, material conditions exist that may cast significant doubt on the Company’s ability to continue as a going concern. Management actively manages its forecasted cash requirements and has determined that the Company has adequate resources to continue as a going concern through to the end of 2020. Between January and October 2020, the Company raised \$510,000 as a private placement and more than \$400,000 as a financing bridge.

These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The 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 IFRS Interpretations Committee (“IFRIC”).

These financial statements were approved and authorized by the Board of Directors of the Company on November 6, 2020.

2.2 Basis of presentation

The financial statements have been prepared on the historical cost basis. The Company’s reporting and functional currency is Canadian dollars, which is the currency of the primary economic environment in which the Company operates.

2.3 Use of management estimates, judgements and measurement uncertainty

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

a) The following areas require management's critical estimates:

Calculation of share-based payments

The Company measures the cost of share-based payments, either equity or cash-settled, by reference to the fair value of the equity instrument or underlying equity instrument at the date on which they are granted. Estimating fair value for share-based payments requires management to determine the most appropriate valuation model for a grant, which is dependent on the terms and conditions of each grant. The Black-Scholes option pricing model is used to determine the fair value for the stock options and warrants and utilizes subjective assumptions such as stock price volatility and expected life of the option or warrant. Details of the assumptions used are included in Note 10.

Collectability of sales taxes

The Company uses its best estimate of sales tax credits to be received from the respective governments in determining whether an allowance needs to be recorded.

Recognition of deferred tax assets and measurement of income tax expense

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on assessment of the Company's ability to use the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. If changes were made to management's assessment regarding the Company's ability to use future tax deductions, the Company could be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

b) The following area requires management's critical judgment:

Going concern

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment-based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 1 for further information.

Intangible assets

Significant judgements are made in determining the useful lives and recoverable amounts of the Corporation's intangible assets, and in evaluating whether certain events or circumstances represent objective evidence of impairment. Estimates of the recoverable amounts of the intangible assets rely on certain factors such as future cash flows and discount rates. Future cash flows are based on sales projections and costs which are estimated based on forecasted results while discount rates are based on the Corporation's cost of capital. Future outcomes may be materially different than those assumptions used in the impairment assessment and therefore could have a significant effect on the results of the Corporation.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Management uses its judgment to determine whether costs incurred meet the criteria to be recorded as an intangible asset.

Expenditures incurred for preparing and filing for regulatory approval are capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable that a marketing authorization from the Canadian or United States health authorities will be granted. The likelihood of regulatory approval is reviewed and adjusted for, should facts and circumstances change.

Development costs are capitalized as a part of intangible assets only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

3.1 Cash and cash held in trust

The Company's cash is deposited with a major Canadian bank and the cash held in trust was the balance due to the Company in conjunction with an equity financing.

3.2 Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation and any impairment in value. Depreciation is charged to income based on the cost. When significant parts of property and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation, respectively.

Depreciation of property and equipment is provided over the remaining useful lives of the assets using the declining balance method as follows:

- Computer equipment – 30%
- Furniture and fixtures – 20%

The asset's residual values, depreciation method and useful lives are reviewed annually and adjusted if appropriate. Gains and losses on disposal of property and equipment are recorded in the statement of profit or loss in the year of disposal.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Intangible Assets

Development expenditures are capitalized as a part of intangible assets only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditures incurred for preparing and filing a product submission are also capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable, i.e. that approval of a marketing authorization from the Canadian or United States health authorities will be granted.

Separately acquired patents and licenses are recorded at cost less accumulated amortization and any accumulated impairment charges. These assets have finite useful lives. These costs will be amortized over the term of their respective patents and licenses.

3.4 Impairment of non-financial assets

The Company assesses, at each reporting period, whether there is an indication that an asset may be impaired. An impairment is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value or CGU's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs to sell, an appropriate valuation model is used.

Intangible assets with indefinite lives are tested annually; property and equipment, as well as intangible assets with a defined useful life are tested for impairment whenever there is an indication that the carrying amount of the asset or the CGU to which an asset has been allocated exceeds its recoverable amount. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the recoverable amount of the asset. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognized. The reversal of impairment losses is limited to the amount that would bring the carrying value of the asset to the amount that would have been recorded, net of amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of profit or loss in the same line item where the original impairment was recognized.

Intangible assets not yet available for use are reviewed for impairment at least annually or more frequently if circumstances such as significant declines in expected sales, earnings or cash flows indicate that it is more likely than not that the asset might be impaired.

3.5 Equity

The Company's common shares, warrants and options are classified as equity instruments. Incremental costs directly related to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs related to modifications which increase the fair value of the equity instruments granted are also presented within equity.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Financial Instruments

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL").

Below is a summary showing the classification and measurement bases of our financial instruments:

Classification

IFRS 9

Cash	Amortized Cost
Accounts receivable	Amortized Cost
Accounts payable and other liabilities	Amortized Cost
Due to a director	Amortized Cost
Loan payable	Amortized Cost
Convertible debt	Amortized Cost
Royalty obligation	Amortized Cost

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts and breaches of borrowing contracts such as default events or breaches of borrowing covenants. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of the financial asset. Given the limited exposure of the Company to credit risk, no loss allowance has been recognized as management believes any such impairment will not have a significant impact on the financial statements.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Taxation

Income tax (expense) recovery represents the sum of tax currently payable or recoverable and deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred tax

Income tax expense consisting of current and deferred tax expense is recognized in profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.8 Basic and diluted loss per share

The basic loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options or warrants, in the weighted average number of common shares outstanding during the period, if dilutive. The “treasury stock method” is used for the assumed proceeds upon the exercise of the options that are used to purchase common shares at the average market price during the year. Shares to be issued have been considered outstanding for the purposes of basic loss per share calculations.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Share-based payments

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (“the vesting date”). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company’s best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share-based payments reserve.

3.10 Convertible debt

Convertible debentures are separated into their liability and equity components on the statement of financial position. The liability component is initially recognized at fair value, calculated as the net present value of the liability, using estimated interest rates based upon non-convertible debt issued by comparable issuers, and accounted for at amortized cost using the effective interest rate method (Note 11).

3.11 Leases

Effective January 1, 2019, the Company has adopted IFRS 16 Leases (“IFRS 16”). IFRS 16 replaces IAS 17 Leases and establishes a new model for lessee accounting that requires a lessee to recognize lease liabilities and corresponding right-of-use assets, reflecting the future commitments and rights created by lease contracts. The introduction of IFRS 16 primarily affects the accounting for leases that were previously accounted for as operating leases. IFRS 16 replaces the straight-line operating lease expenses with a depreciation charge for right-of-use assets and interest expense on lease liabilities. In addition, operating lease cash flows that were previously presented as operating cash flows are reported as financing cash flows under IFRS 16.

At the date of adoption, the Company applied IFRS 16 using the modified retrospective approach under which the right-of-use asset is measured at an amount equal to the lease liability, adjusted for any prepayments or accruals. Accordingly, the comparative information presented for 2018 has not been restated.

Impact on transition

At the transition date, the Company recognized lease liabilities and corresponding right-of-use assets for contracts that were previously classified as operating leases and that met the definition of a lease under IFRS 16. The lease liabilities were measured at the present value of the remaining lease payments, discounted using the Company’s incremental borrowing rate at January 1, 2019 applicable to the respective lease object. The weighted-average rate applied is 12%. The lease liabilities and right-of-use assets related to leases that were previously classified as finance leases are recognized at their respective carrying amounts immediately before transition upon the transition date. The Company did not have any leases that were previously classified as finance leases.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impact for the year

In addition to the statement of financial position impact described above, the nature of expenses related to leases changed as IFRS 16 replaces the operating lease expense with a straight-line depreciation charge for right-of-use assets, and interest expense on lease liabilities. The following table summarizes the impact of IFRS 16 on the statement of loss and comprehensive loss, cash flow statement, and main performance measures in 2019:

	Right-of-Use Asset	Lease Liability
Recognized at January 1, 2019	50,634	50,634
Interest		6,076
Repayments		(32,082)
Depreciation	(27,271)	
Balance at December 31, 2019	23,363	24,628

Included in the statement of loss and comprehensive loss for the year ended December 31, 2019, was depreciation of the right-of-use asset of \$27,271 and \$6,076 included in “financial expenses”. As at December 31, 2019, the remaining life of the lease liability is less than one year and the undiscounted cashflow payments due over this period are \$27,548.

4. CAPITAL MANAGEMENT

The Company manages its common shares and accumulated deficit as capital. The Company’s objectives when managing capital are to safeguard the Company’s ability to continue and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk, as there are no external restrictions on it.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets in order to adjust the amount of cash on its balance sheet.

In order to facilitate the management of its capital requirements, the Company may prepare expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Inolife R&D Inc.

Notes to the Financial Statements

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5. FAIR VALUE AND FINANCIAL RISK FACTORS

Fair value of financial instruments

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level 1 (“L1”) includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 (“L2”) includes inputs that are observable other than quoted prices included within L1.
- Level 3 (“L3”) includes inputs that are not based on observable market data (supported by little or no market activity).

As at December 31, 2019, both the carrying and fair value amounts of the Company's cash, accounts receivable, accounts payable and other liabilities, due to a director, loan payable, convertible debt, and current portion of royalty obligation are approximately equivalent due to their short-term nature. The carrying amount of the non-current royalty obligation approximates its fair value as it is based on discounting the associated future cash outflows using a risk-adjusted discount rate which reflects market conditions.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at December 31, 2019 is the carrying value of cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. All amounts in accounts payable and other liabilities of \$656,476 at December 31, 2019 and \$330,038 at December 31, 2018 are due within one year or upon maturity in the case of interest payable.

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is not exposed to any significant interest rate price risk.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

5. FAIR VALUE AND FINANCIAL RISK FACTORS (continued)

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of their accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The company is exposed to unrealized foreign exchange risk through its U.S. dollar ("USD") cash holdings. At December 31, 2019, a 10% change in the USD foreign exchange rate would result in an unrealized gain or loss of approximately \$90.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

6. INTANGIBLE ASSETS

Upon inception, the Company entered into agreements for the transfer of technology and related associated costs. The transfer included the following items: the intellectual property and rights to the Inojex (liquid injection) and Nanojex (powder injection) technologies, start-up costs, convertible debt, and related party debt.

During 2017, as part of the transfer agreements in exchange for the technology acquired and associated costs, the Company issued 60,000,000 common shares (Note 10a) and was considered to be a common control transaction and therefore the transfer of items into the Company was accounted for as a capital contribution by the shareholders in their capacity as owners at their carrying amounts.

36,050,000 shares were issued to acquire the Inojex technology which resulted in an amount of \$7,210 recognized as an intangible asset.

1,000,000 shares were issued to acquire the Nanojex technology and the Company assumed the associated obligation to make royalty payments which resulted in an amount of \$321,178 recognized as a capital contribution.

22,950,000 shares were issued and \$414,238 of convertible loans (Note 11) were assumed to compensate the previous owners of the technologies for various costs that had been incurred regarding the development of the technologies which resulted in an amount of \$538,338 recognized as a capital contribution.

During 2018 and 2019, \$107,518 and \$48,881 respectively of engineering and process costs associated with the development of the Inojex technology and manufacturing were capitalized, while \$13,046 of Nanojex-related IP costs were capitalized in 2018 and \$8,277 of registering fees for patents were capitalized in 2019.

Inolife R&D Inc.**Notes to the Financial Statements***For the years ended December 31, 2019 and 2018*

(Expressed in Canadian dollars)

6. INTANGIBLE ASSETS (continued)

	Patents	Inojex Technology	Nanojex Technology	Total \$
Cost				
Balance – December 31, 2018	-	114,728	13,046	127,774
Addition – Inojex rights	-	48,881	-	48,881
Addition – Registration fees	8,277	-	-	8,277
Balance – December 31, 2019	8,277	163,609	13,046	184,932
Accumulated amortization				
Amortization	-	-	-	-
Balance – December 31, 2019	-	-	-	-
Carrying value, December 31, 2019	8,277	163,609	13,046	184,932

	Inojex Technology	Nanojex Technology	Total \$
Cost			
Balance – December 31, 2017	7,210	-	7,210
Addition – Inojex rights	107,518	-	107,518
Addition – Nanojex rights		13,046	13,046
Balance – December 31, 2018	114,728	13,046	127,774
Accumulated amortization			
Amortization	-	-	-
Balance – December 31, 2018	-	-	-
Carrying value, December 31, 2018	114,728	13,046	127,774

No amortization was taken on the intangible assets in the years ended 2019 or 2018 as the assets were not yet available for use.

An annual impairment test was performed due to the fact the assets are not yet in use and the carrying amounts were compared with the assets' recoverable amounts. The recoverable amount was estimated to be higher than the carrying amount of the asset and no impairment was required.

Inolife R&D Inc.**Notes to the Financial Statements***For the years ended December 31, 2019 and 2018**(Expressed in Canadian dollars)***7. PROPERTY AND EQUIPMENT**

	Computer Equipment	Furniture & Fixtures	Total \$
Cost			
Balance – December 31, 2018	5,603	348	5,951
Additions	-	-	-
Balance – December 31, 2019	5,603	348	5,951
Accumulated depreciation			
Balance – December 31, 2018	1,776	97	1,873
Depreciation	1,148	51	1,199
Balance – December 31, 2019	2,924	148	3,072
Carrying value, December 31, 2019	2,679	200	2,879

	Computer Equipment	Furniture & Fixtures	Total \$
Cost			
Balance – December 31, 2017	3,669	348	4,017
Additions	1,934	-	1,934
Balance – December 31, 2018	5,603	348	5,951
Accumulated depreciation			
Balance – December 31, 2017	550	35	585
Depreciation	1,226	62	1,288
Balance – December 31, 2018	1,776	97	1,873
Carrying value, December 31, 2018	3,827	251	4,078

Right-of-Use Asset

The Company leases an office space under a lease contract expiring October 31, 2020. The following table presents the movement in the right-of-use asset:

	Leased office \$
Balance – December 31, 2018	-
Additions	50,634
Depreciation	(27,271)
Balance – December 31, 2019	23,363

Inolife R&D Inc.**Notes to the Financial Statements***For the years ended December 31, 2019 and 2018*

(Expressed in Canadian dollars)

8. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	2019
Accounts payable	575,953
Interest payable on convertible debentures	77,282
Other payables	3,241
Balance, December 31, 2019	656,476
	2018
Accounts payable	282,124
Interest payable on convertible debentures	43,173
Other payables	4,741
Balance, December 31, 2018	330,038

All amounts in accounts payable are due within one year.

9. ROYALTY OBLIGATION

	December 31 2019	December 31 2018
Royalty obligation	197,997	234,641
Add: Accretion expense	44,875	63,356
Total royalty obligation	242,872	297,997
Less: current portion	(143,334)	(95,604)
Non-current portion	99,538	202,393

On March 31, 2017, the Company entered into a royalty payment agreement with TransferTech Sherbrooke ("TTS") relating to the use and transfer of all rights, titles and interests associated with the Company's powder injection (Nanorex) technology. In exchange for the rights and an option to acquire the technology, the Company has agreed to a royalty rate of 5% on sales made from the technology, with minimum royalty payments to be made annually, the present value of which have been recorded as a liability. The term of the agreement is indefinite and the Company retains the option to buy the technology from TTS until March 31, 2021 for an agreed price of \$3,000,000. Upfront fees, minimum royalty payments and associated taxes due totaled \$113,000 in 2019 and \$56,500 in 2018.

A payment of \$100,000 towards the royalty obligation was made in 2019. As a result, the present value of the remaining royalty obligation was reduced to \$197,997 at December 31, 2019 from \$297,997 at December 31, 2018.

The accretion expense on the royalty obligation is calculated using the present value of the remaining royalty obligations calculated over the estimated obligation period of 3.5 years using a discount rate of 20%.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

10. SHAREHOLDER'S EQUITY

The following details the share capital of Inolife R&D Inc.

Authorized: An unlimited number of common shares.

a) *Share Capital Authorized*

Movements in the company's share capital are as follows:

	Number of Shares	Amount \$
Balance, December 31, 2017	102,450,000	931,796
Shares issued for private placements	36,897,621	2,839,333
Shares issued on debt conversion	2,600,000	121,283
Warrants issued	-	(409,214)
Broker warrants issued	-	(4,214)
Share issue costs	-	(55,749)
Balance, December 31, 2018	141,947,621	3,423,235
	-	-
Balance, December 31, 2019	141,947,621	3,423,235

On September 22, 2017, the Company issued 20,000,000 common shares to the founders at \$0.0002 per share for a total amount of \$4,000. On September 25, 2017, the Company issued 23,950,000 common shares at agreed prices between \$0.05 and \$0.10 per share for a total amount of \$1,690,000. In relation to the transfer of assets into Inolife R&D Inc., on November 11, 2017, the Company issued 36,050,000 shares at an agreed value of \$0.05 per share for total amount of \$1,802,500. The carrying amount of the shares reflects carrying amount of the capital contributions disclosed in Note 6.

On November 17, 2017, a total of 22,450,000 shares were issued at an agreed price of \$0.05 as part of a private placement for a total cash consideration of \$1,040,500, net of \$82,000 of share issue costs. As part of the private placement, investors also received 11,225,000 warrants of the company exercisable at \$0.10 over a two-year period and were recorded in warrant reserve at the value attributed to them at the time of the issue of the private placement (\$108,633). 1,640,000 broker warrants were also issued in connection with the private placement and were valued at \$15,871 at the time of issue. The broker warrants are exercisable at \$0.10 per share over a two-year period following the closing date.

On March 12, 2018, the Company announced it entered into an LOI with Namaste Technologies, which on May 18, 2018 became a definitive agreement whereby Namaste is granted exclusive rights to the commercialization of Inolife's innovative needle-free technology for applications of medical cannabis, in accordance with Health Canada regulations. In connection with the agreement, Namaste purchased 2,000,000 units of Inolife, issued at a price of \$0.10 per unit. Each unit consists of one common share and one-half of one common share purchase warrant, with an exercise price of \$0.20 per full warrant for a period of 24 months from the Private Placement closing date.

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

10. SHAREHOLDER'S EQUITY (continued)

On July 31, 2018, the Company closed a private placement round where it issued 28,347,621 common shares at a price of \$0.07 per share for total proceeds of \$1,984,333. As part of the private placement, investors also received 14,173,810 warrants of the company exercisable at \$0.10 over a three-year period.

During the period between August 2 and November 30, 2018, the Company issued 8,550,000 common shares at a price of \$0.10 per share in a rolling private placement round, for total proceeds of \$855,000. As part of the private placement, investors also received 4,275,000 warrants of the company exercisable at \$0.20 over a two-year period. The shares purchased by Namaste Technologies (detailed above) were included in this round.

On August 30, 2018, the convertible debt initially issued on September 25, 2017 in the amount of \$130,000 was fully converted to 2,600,000 common shares at a price of \$0.05.

On November 12, 2019, the Board of Directors voted to extend the expiration date of all warrants for an additional twelve (12) months.

Share Purchase Options

The Company has a stock option plan (the "Plan") under which the Company may grant options to directors, officers, employees and consultants. The number of shares to be reserved and set aside for issue under this plan is determined from time to time by the Board. All stock options granted in 2019 vest immediately and have a two-year term to expiry from the date of grant. The continuity of outstanding stock options outstanding is as follows:

	Number of stock options	Weighted average exercise price per share \$
Balance – December 31, 2017	540,000	0.054
Granted	3,830,000	0.083
Exercised	-	-
Expired/Cancelled	-	-
Balance – December 31, 2018	4,370,000	0.079
Granted	560,000	0.200
Exercised	-	-
Expired/Cancelled	(540,000)	0.054
Balance – December 31, 2019	4,390,000	0.098

Inolife R&D Inc.**Notes to the Financial Statements***For the years ended December 31, 2019 and 2018*

(Expressed in Canadian dollars)

10. SHAREHOLDER'S EQUITY (continued)

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the share-based payments for the stock options issued during the year ended December 31, 2019:

Share Price	\$0.09	2019 Total
No. of options	560,000	560,000
Exercise price ranges	\$0.10 - \$0.30	\$0.10 - \$0.30
Expected life in years	2	2
Volatility	79%	79%
Risk-free interest rate ranges	1.46%-1.82%	1.46%-1.82%
Dividend yield	-	-
Fair value of options granted	\$0.03	\$0.03

The volatility of the Company's shares is based on an average of share volatilities as reported by a selection of small-cap, publicly-traded peers operating within the needleless injection and general medical device space.

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the share-based payments for the stock options issued during the year ended December 31, 2018:

Share Price	\$0.05	\$0.06	\$0.09	2018 Total
No. of options	1,870,000	45,000	1,915,000	3,830,000
Exercise price ranges	\$0.05 - \$0.20	\$0.10	\$0.07 - \$0.10	\$0.05 - \$0.20
Expected life in years	2	2	2	2
Volatility	79%	79%	79%	79%
Risk-free interest rate ranges	1.68%-1.93%	2.07%-2.08%	1.86%-2.33%	1.68%-2.33%
Dividend yield	-	-	-	-
Fair value of options granted	\$0.01	\$0.02	\$0.04	\$0.03

Inolife R&D Inc.**Notes to the Financial Statements***For the years ended December 31, 2019 and 2018**(Expressed in Canadian dollars)***10. SHAREHOLDER'S EQUITY (continued)**

The following table provides additional information about outstanding stock options at the end of December 31, 2019:

Exercise prices	No. of Options Outstanding	Weighted Average Remaining Life (Years)
\$0.05	530,000	0.4
\$0.07	650,000	0.6
\$0.10	2,850,000	0.6
\$0.20	110,000	0.8
\$0.30	250,000	1.8
\$0.10	4,390,000	0.67

b) Contributed surplus

The option and warrant reserve accounts have been created to record the offsetting credits of the share-based payment expense relating to the issuance of share options and warrants.

	December 31, 2019	December 31, 2018
	\$	\$
Option reserve	122,094	106,704
Equity component of convertibles	62,005	62,005
Warrant reserve	1,030,200	537,932
Total reserve	1,214,299	706,641

c) Warrants

Durant the year ended December 31, 2019, the Board of Directors voted to extend the expiration date of all warrants for an additional twelve (12) months. The continuity of outstanding share warrants is as follows:

	Number of warrants	Weighted average exercise price per share \$
Balance – December 31, 2018	31,523,810	0.11
Granted	-	-
Exercised	-	-
Expired/Cancelled	-	-
Balance – December 31, 2019	31,523,810	0.11

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

10. SHAREHOLDER'S EQUITY (continued)

No new warrants were granted during the year ended December 31, 2019 (December 31, 2018 – 18,658,810).

Warrant modification

In November 2019, the expiry term for previously granted warrants was extended by one year from the original terms of two to three years. The incremental fair value of the warrant modification was \$492,268, which was recognized directly in the retained deficit and reserve accounts. The incremental fair value was estimated immediately before and as at the date of modification using a Black-Scholes option pricing model with the following weighted average assumptions:

		Prior to modification		Post modification
Share Price	\$0.05	\$0.06	\$0.09	\$0.09
No. of warrants	12,865,000	14,173,810	4,485,000	31,523,810
Exercise price ranges	\$0.10	\$0.10	\$0.20	\$0.10 - \$0.20
Expected life in years	2	3	2	1 - 3
Volatility	78%	79%	79%	79%
Risk-free interest rate ranges	1.44%	2.1%	2.08-2.31%	1.59%
Dividend yield	-	-	-	-
Fair value of warrants granted	\$0.01	\$0.02	\$0.2	\$0.03

The volatility of the Company's shares is based on an average of share volatilities as reported by a selection of small-cap, publicly-traded peers operating within the needleless injection and general medical device space.

During the year ended December 31, 2018, the Company issued 14,173,810 warrants in connection with a private placement offering a ½ warrant exercisable at \$0.10 over a three-year period for each share purchased. A further 4,275,000 warrants offering a ½ warrant exercisable at \$0.20 over a two-year period for each share purchased were also issued during the year, along with 210,000 broker warrants under the same terms. These warrants were recorded in warrant reserve at the value attributed to them at the time of the issue of the private placement being \$413,428. The continuity of outstanding share warrants is as follows:

	Number of warrants	Weighted average exercise price per share \$
Balance – December 31, 2017	12,865,000	0.10
Granted	18,658,810	0.12
Exercised	-	-
Expired/Cancelled	-	-
Balance – December 31, 2018	31,523,810	0.11

Inolife R&D Inc.

Notes to the Financial Statements

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10. SHAREHOLDER'S EQUITY (continued)

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the share-based payments for the share warrants issued during the year ended December 31, 2018:

Share Price	\$0.06	\$0.09	2018 Total
No. of warrants	14,173,810	4,485,000	18,658,810
Exercise price ranges	\$0.10	\$0.20	\$0.10 - \$0.20
Expected life in years	3	2	2 - 3
Volatility	79%	79%	79%
Risk-free interest rate ranges	2.1%	2.08%-2.31%	2.08%-2.31%
Dividend yield	-	-	-
Fair value of warrants granted	\$0.02	\$0.02	\$0.02

The following table provides additional information about outstanding share warrants at the end of December 31, 2019:

Exercise prices	No. of Warrants Outstanding	Weighted Average Remaining Life (Years)
\$0.10	27,038,810	1.8
\$0.20	4,485,000	1.7
\$0.11	31,523,810	1.8

11. BORROWINGS

Convertible debt

With the creation of the Company on September 5, 2017, two pre-existing convertible debentures were transferred from a special purpose vehicle that was designed to facilitate the transfer of intellectual property and rights to the current Company.

One debenture is in the amount of \$284,238 and carries a 12% per annum interest rate with the capital and interest payable on October 20, 2020. The debt is convertible into common shares of the Company at the option of the borrower at a price of \$0.05 per share.

On the transaction date, the fair value of the debt component of the convertible debenture was estimated at \$222,233. The Company allocated the fair value of the convertible debenture to the debt component by discounting the future cash flows using a discount rate of 20%. The difference between the fair value of the convertible debenture and the proceeds in the amount of \$284,238 was allocated to the equity component.

Inolife R&D Inc.**Notes to the Financial Statements***For the years ended December 31, 2019 and 2018**(Expressed in Canadian dollars)***11. BORROWINGS (continued)**

On August 30, 2018, the convertible debt initially issued on September 25, 2017 in the amount of \$130,000 was fully converted to 2,600,000 common shares at a price of \$0.05. Upon conversion, \$18,187 was transferred from equity to retained earnings (deficit).

The following table summarizes the components of the convertible debt:

	<i>Liability Component</i>	<i>Equity Component</i>
Balance, December 31, 2017	342,179	80,192
Conversion of debentures to shares	(121,154)	(18,187)
Accretion expense	27,824	-
Balance, December 31, 2018	248,849	62,005
Accretion expense	20,313	-
Balance, December 31, 2019	269,162	62,005

Lease liability

The following table presents future aggregate minimum lease payments under leases.

	2019	2018
	\$	\$
No later than one year	24,628	-

The interest expense in the statement of loss and comprehensive loss for the year ended December 31, 2019 includes an amount of \$6,076 of interest on the lease liability. The Company's total cash payments for its leases during 2019 was \$32,082.

Inolife R&D Inc.

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(Expressed in Canadian dollars)

12. RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Compensation awarded to key management includes the following:

	Year ended December 31, 2019 \$	Year ended December 31, 2018 \$
Balances:		
Short-term employee benefits	463,073	413,951
Share-based payments - options	-	12,607
Total compensation to key management	463,073	426,558

During the course of 2019, key management personnel earned total compensation in the amount of \$463,073 compared to \$426,558 in 2018.

Balances owed to key management include the following:

During the year ended December 31, 2019, \$4,512 of expenses and board-related fees were incurred by a director.

Balances due from key management include the following:

Accounts receivable include an amount of \$2,340 due from directors and without interest. The receivables are associated with a share issuance from Treasury to two separate entities, both operating individually but within arms-length of two different directors of the Company.

13. FINANCIAL EXPENSES

Financial expenses include the following:

	Year ended December 31, 2019 \$	Year ended December 31, 2018 \$
Balances:		
Interest expense on convertible debt	34,109	45,692
Interest expense on lease liability	6,076	-
Accretion expense on convertible debt	20,313	27,824
Accretion expense on royalty obligation	44,875	63,356
Total financial expenses	105,373	136,872

Inolife R&D Inc.**Notes to the Financial Statements***For the years ended December 31, 2019 and 2018*

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14. INCOME TAXES

Income tax recovery differs from the amount that would be computed by applying the Canadian statutory income tax rate of 26.5% to income before taxes. The reasons for the differences are as follows:

	Year ended December 31, 2019 \$	Year ended December 31, 2018 \$
Loss before taxes	(1,982,755)	(1,791,799)
Statutory tax rate	26.5%	26.5%
Expected income recovery	(525,430)	(474,827)
Items not deductible for income tax purposes and other	15,520	31,163
Unrecognized deductible temporary differences	509,910	443,664
Income tax recovery	-	-

The significant components of the deferred tax assets and (liabilities) of the Company are as follows:

	Year ended December 31, 2019 \$			
	Opening balance	Recognized in equity	Recognized in Profit or Loss	Closing balance
Deferred tax assets (liabilities):				
Share issue costs	9,379	-	(5,383)	3,996
Convertible debt	(9,379)	-	5,383	(3,996)
	-	-	-	-

	Year ended December 31, 2018 \$			
	Opening balance	Recognized in equity	Recognized in Profit or Loss	Closing balance
Deferred tax assets (liabilities):				
Share issue costs	19,096	-	(9,717)	9,379
Convertible debt	(19,096)	-	9,717	(9,379)
	-	-	-	-

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

14. INCOME TAXES (continued)

The Company's deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	Year ended December 31, 2019	Year ended December 31, 2018
	\$	\$
Property and equipment	3,060	1,862
Share issue costs	73,297	84,550
Right-of-use asset	1,265	-
Non-capital losses	3,711,419	1,798,327
SR&ED Non-refundable tax credits	9,131	-
Intangibles	121,232	76,357
Unrecognized deductible temporary differences	3,919,404	1,961,096

The company's unrecognized non-capital tax losses have the following expiry dates:

2039	1,913,092
2038	1,588,184
2037	210,143
Total	3,711,419

15. FINANCIAL INSTRUMENTS

The Company does not acquire, hold or issue derivative financial instruments for trading purposes. The following table presents the classification, measurement subsequent to initial recognition, carrying values and fair values (where applicable) of financial assets and liabilities.

Classification	Measurement	Carrying Value 31-Dec 2019	Fair Value 31-Dec 2019	Carrying Value 31-Dec 2018	Fair Value 31-Dec 2018
Financial Assets					
Cash, including cash held in trust	Amortized cost	1,941	1,941	2,015,142	2,015,142
Accounts receivable	Amortized cost	2,340	2,340	4,000	4,000
		4,281	4,281	2,019,142	2,019,142
Financial Liabilities					
Accounts payable and other liabilities	Amortized cost	656,476	656,476	330,038	330,038
Due to a director	Amortized cost	4,512	4,512	26,455	26,455
Loan payable	Amortized cost	50,000	50,000	50,000	50,000
Convertible debt	Amortized cost	269,162	269,162	248,849	248,849
Current portion of royalty obligation	Amortized cost	143,334	143,334	95,604	95,604
Long-term portion of royalty obligation	Amortized cost	99,538	99,538	202,393	202,393
		1,223,022	1,223,022	953,339	953,339

Inolife R&D Inc.

Notes to the Financial Statements

For the years ended December 31, 2019 and 2018

(Expressed in Canadian dollars)

15. FINANCIAL INSTRUMENTS (continued)

Short-term financial instruments, comprising cash, accounts receivable, accounts payable and other liabilities, amounts due to a director, loan payable, convertible debt and the current portion of royalty obligation are carried at amortized cost which, due to their short-term nature, approximates their fair value. Long-term financial instruments consist of the long-term portion of royalty obligation, where the fair value is based upon discounted future cash flows using a discount rate, adjusted for the Company's own credit risk, that reflects current market conditions for instruments with similar terms and risks.

16. COMMITMENTS

The Company signed a 2-year commercial office lease with the NeoMed Institute beginning on November 1, 2018 and expiring on October 31, 2020. The remaining minimum lease payments amounted to \$27,548 for the remaining term of the lease. Subsequent to year-end in May 2020, however, the lender and the Company accepted to mutually end the office lease as of January 1, 2020.

17. SUBSEQUENT EVENTS

On June 5, 2020, the Company closed the acquisition of all of the issued and outstanding share capital of European Pharma Group B.V. and its subsidiaries European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd. ("EPG") for a total amount of EUR 12,000,000 consisting of: (i) EUR 2,000,000 worth of shares in Inolife (the "Purchaser") at a pre-agreed post transaction price of EUR 0.20 per share; (ii) a convertible debenture of EUR 6,000,000; (iii) EUR 3,000,000 worth of shares in Purchaser at a pre-agreed post transaction price of EUR 0.30 per share; (iv) EUR 1,000,000 in cash to be paid within 16 months of the acquisition's closing date, subject to performance milestones.

On October 1, 2020, Inolife entered into a definitive business combination agreement with BuzBuz Capital Corp. ("Buz"), a Capital Pool Company listed on the TSX Venture Exchange, whereby Buz will acquire all of the securities of Inolife by way of a three-cornered amalgamation. A \$400,000 financing bridge has also been completed during this month.

In October 2020, the Company signed a settlement agreement with TransferTech Sherbrooke ("TTS") for the payment of the current portion of the royalty obligation (\$150,000 plus applicable taxes and interests). The current debt shall be payable in total within 15 days of the closing date of an equity financing for minimum gross proceeds of \$2,000,000 in connection with the public listing of the Company, to be completed at the latest on March 31, 2021. The debt shall be paid by the Company in cash and common shares by a payment of 50% of the owed amount and 100% of the applicable taxes and interest for the debt due, and a payment of \$75,000 in common shares by the issuance of 562,641 common shares at a price of \$0.1333 per common share on a pre-consolidated basis. The Company undertakes to pay the subsequent minimum annual royalties amounting to \$250,000 plus applicable taxes payable as of March 31, 2021 and for all subsequent years either in cash or in common shares at the sole discretion of the Company.

Inolife R&D Inc.**Notes to the Financial Statements***For the years ended December 31, 2019 and 2018**(Expressed in Canadian dollars)*

17. SUBSEQUENT EVENTS (continued)

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is still 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.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted in the current fiscal year.



Management's Discussion and Analysis

For the years ended December 31, 2019 and 2018

This Management's Discussion and Analysis ("MD&A") of financial results is dated November 6, 2020 and reviews the business of Inolife R&D Inc. (the "Company" or "Inolife"), for the years ended December 31, 2019 and 2018, and should be read in conjunction with the accompanying audited annual financial statements and related notes for the years ended on December 31, 2019 and 2018.

Forward looking information

Some statements contained in this MD&A constitute forward-looking statements including, without limitation, anticipated developments in the Company's operations in future periods and other events or conditions that may occur in the future. These statements relate to future events or the Company's future performance and are inherently uncertain and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those mentioned herein under heading "RISKS AND UNCERTAINTIES". Management believes that the expectations reflected in those statements are reasonable, but no assurance can be given that these expectations will prove to be correct. It is recommended not to place undue reliance on forward looking statements as the plans, intentions or expectations upon which they are based might not occur.

Although management believes that the expectations represented by such forward-looking statements are reasonable, there is significant risk that the forward-looking statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Forward-looking statements in this MD&A include, but are not limited to:

1. Statements concerning the Company's primary business activities and,
2. The Company's intention to seek and acquire products and assets to create shareholder value.

The Company does not undertake to update any forward-looking information provided in this MD&A, except as, and to the extent required by, applicable securities laws. For more information on the Company and its business, investors should review the Company's other regulatory filings filed with securities commissions or similar authorities in Canada that are available on SEDAR at www.sedar.com. The Company reviews its forward-looking statements on an ongoing basis and updates this information when circumstances require it.

DESCRIPTION OF THE COMPANY

Inolife was incorporated under the laws of Ontario on September 5, 2017. The Company's registered address and principal place of business is located at 1801-1 Yonge Street, Toronto, ON, M5E 1W7.

Inolife R&D Inc. is a medical device manufacturing company specializing in the field of needleless injections and related technologies.

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations.

During the year ended December 31, 2019, the Company conducted these research and development activities:

Inojex

- Develop Ampoule assembly components:
 - o Created Ampoule assembly components design using various inputs (510k filings and CT scan results)
 - o Examined Ampoule housing with outside diameter by evaluating several samples (8.38mm -8.81mm).
 - o Examined Ampoule housing inside diameter by evaluating several samples (3.54mm - 3.76mm).
 - o Tested samples to determine ideal Ampoule housing length (49.05-49.28mm), Thread (OD .53mm smaller), internal profile at end of bore, Nozzle ID (.18mm +/- .01mm), Adapter locking tabs and plunger shaft (3.30-3.41mm).
- Develop Injector spring/Finite element & moldability Analysis:
 - o Evaluated spring force imparted on Ampoule plunger by: positioning injector vertically in inspection fixture with open-end up; Using force gauge to measure spring force at trigger depth; Spring specs (length decompressed 3.130 in, Wire diameter 0.058 in, Spring diameter: 0.376 in, number of coils 23); Performed spring calculation.
 - o Conducted FEA analysis on Ampoule Housing and Plunger to ensure adequate mechanical strength -Examined Force Load from Injector Spring acting on Plunger Shaft during device actuation -Calculated Static Pressure in .007 Diameter Orifice from 40 lb Axial Load; Divided radiused transition section into 3 axially equidistant zones, then calculated mean diameter of each zone; Applied Pressure loading tangent to instantaneous points on this curve, but pressure values were assigned by zone.
 - o Simulated 3 principal parts as static pressure chamber, applying respective internal pressure loads to all surfaces and leaving orifice open by not adding pressure face to represent contact area with epidermis; Applied Outward-bearing pressure (.624 psi) to main-chamber surfaces, then series of pressures in 30,90 and 250 psi to transition and orifice cylinder zones progressively.

As at December 31, 2019, the cumulative research and development expenses are:

Inojex:	\$163,609
Nanojex:	\$260,882

Project	Description of the project	Company's plan	Status	Expenditures made	How the expenditures relate to the anticipated timing and costs to take the project to the next stage of the plan	Whether or not the Company plans to expend additional funds on the project	Any factors that have affected the value of the project
Inojex	Liquid jet needle-free technology	Prepare the device to be manufacturing compliant	The device is in pre-commercialization development phase	\$48,881	Fees incurred for the development of the quality management system for regulatory compliance	No plan to expend additional funds during 2021.	None
Nanojex	Ballistics-based intradermal powder drug injection device, aimed at painless delivery of medicine intradermally using a gas jet to accelerate nanoparticles powdered drug or protein at supersonic speed with a single-use, disposable, handheld device	Inolife intends to continue its research at the proof-of-concept stage. Although it is the ultimate goal to eventually commercialize Nanojex, Inolife has no present plans relating to manufacturing of this device.	The device is at proof-of-concept stage	None	No R&D activities have been done on this technology during 2019	No plan to expend additional funds during 2021	None

BASIS OF PRESENTATION

The financial statements have been prepared on the historical cost basis. The Company's reporting and functional currency is Canadian dollars, which is the currency of the primary economic environment in which the Company operates.

RESULTS OF OPERATIONS

The Company has not generated any revenues for the years ended December 31, 2019 and 2018. Management does not expect any material revenues until 2021.

For the years ended December 31, 2019 and 2018,

1. Sales and marketing expenses were \$478,444 in 2019 vs. \$582,572 in 2018, a decrease of \$104,128 as a result of reduced promotional activities in 2019.
2. Salaries and benefits expenses were \$408,023 in 2019 vs. \$376,378 in 2018, an increase of \$31,645 attributable to the addition of an employee in 2019.
3. General and administrative expenses were \$47,342 in 2019 vs. \$63,410 in 2018, a decrease of \$16,068.
4. Professional fees were \$948,308 in 2019 vs. \$539,916 in 2018, an increase of \$408,392 attributable to an increase in legal, accounting and consulting fees in 2019 related to funding activities and business acquisition.
5. Depreciation charges were \$1,199 in 2019 and \$1,288 in 2018.
6. Depreciation of the right-of-use asset was \$27,271 in 2019 vs. nil in 2018, attributable to the adoption of IFRS 16 Leases ("IFRS 16") on January 1, 2019 and the application of IFRS 16 to the Company's office lease.
7. Share based payment expenses were \$15,390 in 2019 vs. \$98,538 in 2018 and attributable to more options issued in 2018 vs 2019.
8. Loss on foreign exchange was \$17,777 in 2019 vs. \$(7,175) in 2018.
9. Net Financial expenses were \$105,373 in 2019 vs. \$136,872 in 2018.
10. Other income was \$66,372 in 2019 vs. nil in 2018 due to a one-time arrangement entered into for the billback of clinical studies fees in 2019.
11. No income taxes were incurred nor recovered in 2019 and 2018.
12. A net loss and comprehensive loss of \$1,982,755 in 2019 vs. \$1,791,799 in 2018 was incurred.

BALANCE SHEET HIGHLIGHTS

For the years ended December 31, 2019 and 2018,

1. Cash and cash equivalents were \$1,941 in 2019 vs. \$2,015,142 in 2018. The Company did not raise any funds in 2019 vs 2018, which explains the decrease of \$2,013,201 as the funds raised in 2018 were used in 2019 to fund operating activities.
2. Current assets were \$327,539 in 2019 vs. \$2,079,915 in 2018, with the difference attributable to the decrease of cash.
3. Total assets were \$538,713 in 2019 vs.\$2,211,767 in 2018, with the difference attributable to the decrease of cash.
4. Current liabilities were \$1,148,112 in 2019 vs. \$750,946 in 2018, with the difference primarily attributable to the increase of accounts payables and other liabilities. As the Company did not raise any funds in 2019, the payables were accumulated during the last months of the year.
5. Non-current liabilities were \$99,538 in 2019 and \$202,393 in 2018, a decrease of \$102,855 which represents the current portion paid on the royalty obligation.
6. Share capital was \$3,423,235 in 2019 and 2018.
7. Contributed surplus was \$1,214,299 in 2019 and \$706,641 in 2018, with the increase mainly attributable to the re-evaluation of the warrants due to their extension for an extra year.
8. Retained earnings (deficit) was \$(5,346,471) in 2019 and \$(2,871,448) in 2018, with the increase attributable to the net loss of the year and to the re-evaluation of the warrants due to their extension for an extra year.

ISSUED AND OUTSTANDING SHARE DATA

	December 31, 2019		December 31, 2018	
	Number	Amount	Number	Amount
		\$		\$
Balance, beginning of year	141,947,621	3,423,235	102,450,000	931,796
Issuance of shares	-	-	39,497,621	2,904,867
Broker warrants issued	-	-	-	(4,214)
Warrants issued	-	-	-	(409,214)
Balance, end of year	141,947,621	3,423,235	141,947,621	3,423,235

The Company has 184,881,609 outstanding common shares as at November 6, 2020.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2019, the Company had \$327,539 in current assets, comprised of cash, accounts receivables, sales taxes and income tax recoverable and prepaid expenses.

At December 31, 2019, the Company had a negative working capital of \$(820,573) comprised of cash (\$1,941), a related party receivable (\$2,340), sales tax receivables (\$183,935), income tax recoverable (\$110,798) and prepaid expenses (\$28,525) partially offset by related party debt (\$4,512), accounts payable and other liabilities, including interest payable on convertible debt and lease liability (\$681,104), convertible debt (\$269,162), loan payable (\$50,000) and the current portion of the company's royalty obligation (\$143,334).

The Company incurred a net loss and comprehensive loss for the year ended December 31, 2019 of \$1,982,755 and accumulated a deficit of \$5,346,471.

As the Company continues to develop its core technology and proceeds into the manufacturing stage, it will require additional financing to meet its working capital requirements. As the Company is still in its start-up phase, material uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern. However, management actively manages its forecasted cash requirements and has determined that with the financing raised subsequent to year-end, the Company has adequate resources to continue as a going concern for the foreseeable future, which management has defined as being at least the next 12 months. Between January and October 2020, the Company raised \$510,000 as a private placement and more than \$400,000 as a financing bridge.

The Company will have the capacity to pay its short-term liabilities and will have enough resources to cover its operating expenses, capital expenditures and product development for at least the next twelve months.

	Total	Non-cash transactions	Less than a year	1-3 years
	\$	\$	\$	\$
Contractual obligation				
Accounts payable and other liabilities	656,476	-	656,476	-
Due to a director	4,512	-	4,512	-
Lease Liability	24,628	-	24,628	-
Loan payable	50,000	50,000	-	-
Convertible debt	269,162	269,162	-	-
Royalty Obligation	242,872	75,000	68,334	99,538
Total, contractual obligations	1,247,650	394,162	753,650	99,538

As showed in this table, the Company will have, from the funds raised in capital, enough to cover for its further operating expenses but will need to raise additional capital to cover its short-term liabilities. The amounts the Company will require over the short and long term to fund operations and to meet its planned growth and development activities are:

	Short term (\$)	Long term (\$)	Total (\$)
Operating expenses	450,000	560,000	1,010,000
Planned growth	-	150,000	150,000
Development activities	-	50,000	50,000
TOTAL:	450,000	760,000	1,210,000

The Company's ability to continue as a going concern is dependent upon its ability to close a qualifying transaction and raise additional financing which will allow to have future operations. There is no assurance that it will manage to obtain financing in the future of settle its liabilities as intended above.

These factors indicate the existence of a material uncertainty regarding the ability of the Company to continue as a going concern.

FINANCIAL INSTRUMENTS

At December 31, 2019, the Company's financial instruments include short-term financial instruments, comprising cash, accounts receivable, accounts payable and other liabilities, due to a director, loan payable, convertible debt, and current portion of royalty obligation. These are carried at amortized cost which, due to their short-term nature, approximates their fair value. Long-term financial instruments consist of the non-current royalty obligation. The fair value of the royalty obligation is based upon discounted future cash flows using a discount rate, adjusted for the Company's own credit risk, that reflects current market conditions for instruments with similar terms and risks.

The Company does not acquire, hold or issue derivative financial instruments for trading purposes and the Company presently has no established credit facility.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any special purpose entities, nor is it a party to any transactions or arrangements that would be excluded from the statement of financial position.

RELATED PARTY TRANSACTIONS

Refer to note 12 of the financial statements for the years ended December 31, 2019 and 2018 regarding transactions with related parties.

CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting judgements and estimates are described in note 2 of the annual audited financial statements for the years ended December 31, 2019 and 2018.

CHANGES IN ACCOUNTING POLICIES

The Company's significant accounting policies are described in note 3 the annual audited financial statements for the years ended December 31, 2019 and 2018.

RISKS AND UNCERTAINTIES

Inolife is subject to a number of risks and uncertainties that could significantly affect the Company's financial condition and performance. This list of risk factors may not be exhaustive as the Company operates in a rapidly changing business environment and new risk factors emerge from time to time. The Company cannot predict such risk factors, nor can the Company assess the impact, if any, of such risk factors or uncertainties on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, neither shareholders of the Company nor purchasers of securities of the Company should rely on forward-looking statements as a prediction of actual results. If any of these risks actually occur, the Company's business, results of operations, financial position and cash flows could be adversely affected. In any such case, the market value of the Company's common shares could decline, and investors may lose all or part of their investment.

Market Risk for Securities

There can be no assurance that an active trading market for the shares of the Company will be established and sustained. Upon intention to list the market price for the shares could be subject to wide fluctuations. Factors such as government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Company's securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Speculative Nature of Investment Risk

An investment in the shares of the Company carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future.

Inadequacy of Funds

The Company has negative operating cash flow at December 31, 2019 and will continue to have negative operating cash flow until revenues are generated. The Company currently has inadequate funds to fully develop its business and needs additional debt financing or other capital investment to fully implement its business plans. There is no assurance that such debt financing or other capital investment can be secured. Failure to obtain such financing on a timely basis could result in the Company being unable to fully develop its business and reduce or terminate its operations.

Liquidity and Future Financing Risk

The Company will likely operate at a loss until its business becomes established and the Company may require additional financing in order to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional shares from treasury, control may change and shareholders may suffer dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operations.

Conducting the costly and time-consuming research, pre-clinical and clinical testing necessary to obtain regulatory approvals and bringing the needle-free medicine administration technology and product candidates to market will require a commitment of substantial funds in excess of the Company's current capital. The Company's future capital requirements will depend on many factors, including, among others:

- the progress of current and new product development programs;
- the progress, scope and results of pre-clinical and clinical testing;
- the time and cost involved in obtaining regulatory approvals;
- the cost of manufacturing products and product candidates;
- the cost of prosecuting, enforcing and defending against patent infringement claims and other intellectual property rights;
- competing technological and market developments; and
- the Company's ability to establish and maintain collaborative and other arrangements with third parties to assist in potentially bringing our products to market.

Additional financing may not be available on acceptable terms, or at all. Domestic and international capital markets have been experiencing heightened volatility and turmoil, making it more difficult to raise capital through the issuance of equity securities. Furthermore, as a result of the recent volatility in the capital markets, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases cease to provide, funding to borrowers. To the extent the Company can raise additional capital through the sale of equity securities or issue securities in connection with another transaction, the ownership position of existing stockholders could be substantially diluted. If additional funds are raised through the issuance of preferred stock or debt securities, these securities are likely to have rights, preferences and privileges senior to shares and may involve significant fees, interest expense, restrictive covenants and the granting of security interests in the Company's assets. Fluctuating interest rates could also increase the costs of any debt financing. Raising capital through a licensing or other transaction involving the Company's intellectual property, could require the Company to relinquish valuable intellectual property rights and thereby sacrifice long-term value for short-term liquidity.

The Company's failure to successfully address ongoing liquidity requirements would have a substantially negative impact on its business. If the Company is unable to obtain additional capital on acceptable terms when needed, it may need to take actions that adversely affect its business, stock price and ability to achieve cash flow in the future, including possibly surrendering its rights to some technologies or product opportunities, delaying clinical trials or curtailing or ceasing operations.

Going-Concern Risk

The Company's Financial Statements have been prepared on a going-concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability. The Financial Statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

Dividend Risk

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain earnings to finance further growth and, where appropriate, retire debt.

Share Price Volatility Risk

The Company is planning to apply to be listed on the TSX Venture Exchange ("TSXV"). In the event of such listing, external factors outside of the Company's control, such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward stocks, may have a significant impact on the market price of the shares. Global stock markets, including the TSXV, have experienced extreme price and volume fluctuations from time to time. There can be no assurance that an active or liquid market will develop or be sustained for the shares.

Increased Costs of Being a Publicly Traded Company

As the Company will have publicly traded securities, significant legal, accounting and filing fees will be incurred that are not presently being incurred. Securities legislation and the rules and policies of the TSXV require publicly listed companies to, among other things, adopt corporate governance policies and related practices and to continuously prepare and disclose material information, all of which will significantly increase legal, financial and securities regulatory compliance costs.

General Business Risks***Conflicts of Interest***

Certain of the Company's directors and officers are, and may continue to be, involved in the medical industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities that the Company is not able to procure due to a conflict of interest of one or more of the Company's directors or officers.

Tax Risk

The Company is subject to various taxes including, but not limited to the following: Canadian income tax; goods and services tax; provincial sales tax; land transfer tax; and payroll tax. The Company's tax filings will be subject to audit by various taxation authorities. While the Company intends to base its tax filings and compliance on the advice of its tax advisors, there can be no assurance that its tax filing positions will never be challenged by a relevant taxation authority resulting in a greater than anticipated tax liability.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at December 31, 2019 is the carrying value of its cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. All amounts in accounts payable and other liabilities of \$656,476 are due within one year or upon maturity in the case of interest payable.

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities. The Company is not exposed to any significant interest rate price risk.

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of accounts payable balances. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The Company is not exposed to significant foreign currency risk based on its current operations.

COVID-19

Refer to note 17 of the financial statements for the year ended December 31, 2019 and 2018 for COVID-19 information.

SUBSEQUENT EVENTS

On June 5, 2020, the Company closed the acquisition of all of the issued and outstanding share capital of European Pharma Group B.V. and its subsidiaries European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd. (“EPG”) for a total amount of EUR 12,000,000 consisting of; (i) EUR 2,000,000 worth of shares in Inolife (the “Purchaser”) at a pre-agreed post transaction price of EUR 0.20 per share; (ii) a convertible debenture of EUR 6,000,000; (iii) EUR 3,000,000 worth of shares in Purchaser at a pre-agreed post transaction price of EUR 0.30 per share; (iv) EUR 1,000,000 in cash to be paid within 16 months of the acquisition’s closing date, subject to performance milestones.

On October 1, 2020, Inolife entered into a definitive business combination agreement with BuzBuz Capital Corp. (“Buz”), a Capital Pool Company listed on the TSXV, whereby Buz will acquire all of the securities of Inolife by way of a three-cornered amalgamation. A \$400,000 financing bridge has also been completed during this month.

In October 2020, the Company signed a settlement agreement with TransferTech Sherbrooke (“TTS”) for the payment of the current portion of the Royalty obligation (\$150,000 plus applicable taxes and interests). The current debt shall be payable in total within 15 days of the closing date of an equity financing for minimum gross proceeds of \$2,000,000 in connection with the public listing of the Company, to be completed at the latest on March 31, 2021. The debt shall be paid by the Company in cash and shares by a payment of 50% of the owed amount and 100% of the applicable taxes and interest for the debt due, and a payment of \$75,000 in Common shares by the issuance of 562,641 shares at a price of \$0.1333 per Common share on a pre-consolidated basis. The Company undertakes to pay the subsequent minimum annual royalties amounting to \$250,000 plus applicable taxes payable as of March 31, 2021 and for all subsequent years either in cash or in Common shares at the sole discretion of the Company.

OTHER MD&A REQUIREMENTS

Additional information related to the Company is filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Inolife R&D Inc.

Consolidated Financial Statements

December 31, 2020 and 2019

(expressed in Canadian Dollars)

To the Directors of Inolife R&D Inc.:

Opinion

We have audited the consolidated financial statements of Inolife R&D Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and December 31, 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2020 and December 31, 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainties Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended December 31, 2020 and, as at that date, had an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If based on the work we have performed on this information, we conclude that there is a material misstatement of this information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Winnipeg, Manitoba

September 29, 2021

MNP LLP

Chartered Professional Accountants

Inolife R&D Inc.
Consolidated Statements of Financial Position
As at December 31
(Expressed in Canadian dollars)

	2020	2019
	\$	\$
ASSETS		
Current		
Cash	266,349	1,941
Cash held in trust	10,000	-
Restricted cash (Note 7)	5,730,740	-
Accounts receivable	3,120	2,340
Sales tax recoverable	142,189	183,935
Income tax recoverable	-	110,798
Inventory	9,713	-
Deferred financing cost (Note 7)	269,260	-
Prepaid expenses	38,984	28,525
	6,470,355	327,539
Non-Current		
Property and equipment (Note 9)	27,490	2,879
Intangible assets and goodwill (Note 8)	8,063,727	184,932
Right-of-Use Asset (Note 16)	-	23,363
	8,091,217	211,174
	14,561,572	538,713

Inolife R&D Inc.
Consolidated Statements of Financial Position
As at December 31
(Expressed in Canadian dollars)

	2020	2019
	\$	\$
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and other liabilities (Note 10)	991,237	660,988
Lease liability (Note 16)	-	24,628
Loans (Note 11, 22)	1,122,460	50,000
Cash consideration payable (Note 4, 22)	1,398,334	-
Convertible debt (Note 14)	-	269,162
Subscription receipts in escrow (Note 7)	6,000,000	-
Current portion of royalty obligation (Note 12)	239,010	143,334
	9,751,041	1,148,112
Non-Current liabilities		
Canada Emergency Business Account Loan (Note 11)	37,151	-
Royalty obligation (Note 12)	-	99,538
Contingent share consideration (Note 15)	339,924	-
Derivative liability (Note 14)	582,666	-
Convertible debt (Note 14)	4,543,040	-
	15,253,822	1,247,650
Equity		
Share capital (Note 13)	6,811,322	3,423,235
Reserves (Note 13)	1,008,730	1,214,299
Accumulated other comprehensive income	192,006	-
Deficit	(8,704,308)	(5,346,471)
	(692,250)	(708,937)
	14,561,572	538,713

Nature of operations and going concern (Note 1)
Subsequent events (Note 22)

On behalf of the Board of Directors:

Signed "Michael Wright"
Michael Wright
Director

Signed "Derek Lindsay"
Derek Lindsay
Director

Inolife R&D Inc.**Consolidated Statements of Loss and Comprehensive Loss***For the years ended December 31, 2020 and 2019*

(Expressed in Canadian dollars)

	2020	2019
	\$	\$
Sales	47,295	-
Operating expenses		
Sales and marketing	239,622	478,444
Salaries and benefits	684,288	408,023
General and administrative	273,425	47,343
Professional fees	1,063,650	948,308
Depreciation expense (Note 9)	6,711	1,198
Amortization – intangible assets (Note 8)	359,750	-
Impairment – intangible assets (Note 8)	21,323	-
Depreciation of Right-of-use asset (Note 16)	9,706	27,271
Share based payment expense (Note 13)	-	15,390
Loss (gain) on foreign exchange	158,492	17,777
	2,816,967	1,943,754
Loss before other expenses	(2,769,672)	(1,943,754)
Other expenses (income)		
Finance expenses (Note 18)	911,413	105,373
Other income (Note 11)	(22,849)	(66,372)
Current tax expense (Note 19)	12,166	-
Net loss	(3,670,402)	(1,982,755)
Other comprehensive loss (income)		
Cumulative translation adjustment	(192,006)	-
Net loss and comprehensive loss	(3,478,396)	(1,982,755)
Loss per share - basic and diluted	(0.02)	(0.01)
Weighted average number of common shares outstanding - basic and diluted	162,287,269	141,947,621

Inolife R&D Inc.

Consolidated Statements of Changes in Shareholders' Equity

For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

	Note	Number of Shares	Share Capital \$	Reserves \$	Accumulated other comprehensive income (loss) \$	Deficit \$	Total equity \$
Balance, January 1, 2020		141,947,621	3,423,235	1,214,299	-	(5,346,471)	(708,937)
Net comprehensive loss		-	-	-	-	(3,670,402)	(3,670,402)
Other comprehensive income		-	-	-	192,006	-	192,006
Issuance of shares – private placement	13	4,966,667	650,000	-	-	-	650,000
Warrants issued	13	-	(165,196)	165,196	-	-	-
Issuance of shares – debt settlement	13	10,750,000	774,000	-	-	-	774,000
Issuance of shares – debt conversion	13	7,217,321	360,866	(62,005)	-	62,005	360,866
Issuance of shares – business combination	13	20,000,000	1,467,717	-	-	-	1,467,717
Issuance of shares – warrants exercised	13	2,425,000	300,700	(58,200)	-	-	242,500
Warrants expired	13	-	-	(250,560)	-	250,560	-
Balance, December 31, 2020		187,306,609	6,811,322	1,008,730	192,006	(8,704,308)	(692,250)

	Note	Number of Shares	Share Capital \$	Reserves \$	Accumulated other comprehensive loss \$	Deficit \$	Total equity \$
Balance, January 1, 2019		141,947,621	3,423,235	706,641	-	(2,871,448)	1,258,428
Net comprehensive loss		-	-	-	-	(1,982,755)	(1,982,755)
Warrants extension	13	-	-	492,268	-	(492,268)	-
Share base payments	13	-	-	15,390	-	-	15,390
Balance, December 31, 2019		141,947,621	3,423,235	1,214,299	-	(5,346,471)	(708,937)

Inolife R&D Inc.

Consolidated Statements of Cash Flows

For the year ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

	2020 \$	2019 \$
Operating activities		
Net loss for the period	(3,670,402)	(1,982,755)
Adjustments to reconcile net loss to cash used in operating activities:		
Impairment of intangible assets (Note 8)	21,323	-
Share-based payments	-	15,390
Income tax expense	12,166	
Depreciation (Note 9)	6,711	1,199
Amortization – Intangible assets (Note 8)	359,750	-
Depreciation of right-of-use asset	9,706	27,271
Accretion on royalty obligation (Note 12)	146,138	44,875
Accretion and interest expense on convertible debt (Note 18)	415,032	20,313
Accretion expense on cash consideration payable (Note 18)	108,484	-
Gain on fair value - contingent share consideration and derivative liability (Note 18)	2,036	-
Loss on debt conversion (Note 18)	238,000	-
Government grant (Note 11)	(22,849)	
Consulting services – settled with shares	162,000	-
Gain on derecognition of lease (Note 16)	(814)	-
Foreign exchange (Note 18)	158,492	17,777
Changes in non-cash working capital		
Accounts receivable	14,413	1,660
Sales taxes recoverable	41,746	(138,323)
Income tax receivable	110,798	(110,798)
Inventory	2,792	-
Prepaid expenses	54,378	(13,364)
Accounts payable and other liabilities	586,364	309,495
Royalty obligation	(150,000)	-
Cash used in operating activities	(1,393,736)	(1,807,260)
Investing activities		
Acquisition of intangible assets	-	(57,158)
Cash acquired on business combination	58,253	-
Acquisition of property and equipment	(5,530)	-
Cash provided from investing activities	52,723	(57,158)
Financing activities		
Proceeds of issuance of capital stock, net of issue costs	650,000	-
Proceeds from exercise of warrants	242,500	-
Proceeds from loans	285,000	-
Proceeds of debentures issuances, net of issue costs	442,200	-
Royalty obligation	-	(100,000)
Reduction of operating lease liability	-	(26,006)
Cash provided from financing activities	1,619,700	(126,006)
Effect of foreign exchange rates on cash	(4,279)	(17,777)
Change in cash during the period	274,408	(2,008,201)
Cash, beginning of the period	1,941	2,010,142
Cash and cash held in trust, end of the period	276,349	1,941

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Inolife R&D Inc., (“Inolife” or “the Company”) was incorporated under the laws of Ontario on September 5, 2017. The Company’s registered address and principal place of business is located at 1801-1 Yonge Street, Toronto, ON, M5E 1W7.

Inolife R&D Inc. is a medical device manufacturing company specializing in the field of needleless injections and related technologies.

On June 5, 2020, the Company closed the acquisition of all of the issued and outstanding share capital of European Pharma Group B.V. and its wholly owned subsidiaries European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd. (“EPG”) (Note 4).

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations.

The Company incurred a net loss for the year ended December 31, 2020 of \$3,670,402 , has accumulated a deficit of \$8,704,308 and incurred negative cash flow from operations \$1,393,736. As the Company is working on developing markets and working to find distribution networks, it will require additional financing to meet its working capital requirements. As the Company is still in its development phase, material conditions exist that may cast significant doubt on the Company’s ability to continue as a going concern. Management actively manages its forecasted cash requirements and has determined that the Company has adequate resources to continue as a going concern through the next twelve months. On December 30, 2020, the Company closed a brokered private placement of \$6,000,000. These funds are held in escrow and will be released upon the listing of the Company on the TSX Venture.

These consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. Despite operations being impacted by the pandemic early on, the Company was still able to raise funds during the year and obtain the Canada Emergency Business Account Loan that provided working capital to allow the Company to continue to work on market development.

Inolife R&D Inc.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2020 and 2019
(Expressed in Canadian dollars)

2. BASIS OF PREPARATION

2.1 Statement of compliance

The 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 IFRS Interpretations Committee (“IFRIC”).

These financial statements were approved and authorized by the Board of Directors of the Company on September 29, 2021.

2.2 Basis of presentation

The financial statements have been prepared on the historical cost basis. The Company’s reporting and functional currency is Canadian dollars, which is the currency of the primary economic environment in which the Company operates.

2.3 Basis of consolidation

These consolidated financial statements include the accounts of the Company and those of its three subsidiaries European Pharma Group B.V., European Pharma Group Shenzhen Ltd. and European Pharma Group Limited (Hong Kong). The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company's subsidiaries are all 100% owned.

All transactions and balances between companies are eliminated upon consolidation, including unrealized gains and losses on transactions between the companies. All subsidiaries have a reporting date of December 31 with the exception of EPG Hong Kong which has a reporting date of October 31.

2.4 Functional and presentation currency

All figures presented in the consolidated financial statements are reflected in Canadian dollars, which is the functional currency of the parent. The functional and presentation currency of the subsidiaries are described as follows:

	Functional	Presentation
European Pharma Group B.V.	Euro	Canadian dollars
European Pharma Group Shenzhen	Euro	Canadian dollars
European Pharma Group Hong Kong	Euro	Canadian dollars

Foreign currency transactions are translated into Canadian dollars at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the consolidated statement of financial position date are translated to Canadian dollars at the foreign exchange rate applicable at that date. These differences are recognized in other comprehensive income as currency translation differences until the disposal of the net investment.

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

2.5 Use of management estimates, judgements and measurement uncertainty

The preparation of these consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of these consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of these consolidated financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these consolidated financial statements are outlined below:

a) The following areas require management's critical estimates:

Calculation of share-based payments

The Company measures the cost of share-based payments, either equity or cash-settled, by reference to the fair value of the equity instrument or underlying equity instrument at the date on which they are granted. Estimating fair value for share-based payments requires management to determine the most appropriate valuation model for a grant, which is dependent on the terms and conditions of each grant. The Black-Scholes option pricing model is used to determine the fair value for the stock options and warrants and utilizes subjective assumptions such as stock price, volatility and expected life of the option or warrant. Details of the assumptions used are included in Note 13.

Collectability of sales taxes

The Company uses its best estimate of sales tax credits to be received from the respective governments in determining whether an allowance needs to be recorded.

Business combination

In determining the fair value of all identifiable assets and liabilities acquired, the most significant estimates relate to the valuation of intangible assets. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. The evaluations are linked closely to the assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

Convertible debentures with derivative liabilities

In determining the fair value for the convertible debenture conversion feature considered to be a derivative liability, the Company uses the Monte Carlo or Black-Scholes pricing models and makes estimates of the expected volatility of the shares, risk-free interest rate, effective discount rate, share price, and major event expected date and probability (as the conversion feature is dependent on these estimates). The expected volatility is based on volatilities of comparable companies. The risk-free rate assumed in valuing the conversion feature is based on the Canadian treasury yield curve in effect at the time of grant for the expected term of the convertible debentures issued. The discount rate is based on the estimated rate for a debenture without a conversion feature. The major event expected date and probability are based on management's best estimate at the time of valuation based current internal company information and market conditions. Changes to these estimates could result in the fair value of the derivative liability being less than or greater than the amount recorded.

Inolife R&D Inc.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2020 and 2019
(Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Fair value of financial instruments

The individual fair values attributed to the different components of a financing transaction are determined using valuation techniques. The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine (a) the values attributed to each component of a transaction at the time of their issuance; (b) the fair value measurements for certain instruments that require subsequent measurement at fair value on a recurring basis; and (c) for disclosing the fair value of financial instruments subsequently carried at amortized cost. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

b) The following area requires management's critical judgment:

Going concern

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment-based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 1 for further information.

Intangible assets and goodwill

Significant judgements are made in determining the useful lives and recoverable amounts of the Company's intangible assets and goodwill, and in evaluating whether certain events or circumstances represent objective evidence of impairment. Estimates of the recoverable amounts of the intangible assets and goodwill rely on certain factors such as future cash flows and discount rates. Future cash flows are based on sales projections and costs which are estimated based on forecasted results while discount rates are based on the Corporation's cost of capital. Future outcomes may be materially different than those assumptions used in the impairment assessment and therefore could have a significant effect on the results of the Corporation.

Management uses its judgment to determine whether costs incurred meet the criteria to be recorded as an intangible asset.

Expenditures incurred for preparing and filing for regulatory approval are capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable that a marketing authorization from the International health authorities will be granted. The likelihood of regulatory approval is reviewed and adjusted for, should facts and circumstances change.

Recognition of deferred tax assets and measurement of income tax expense

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on assessment of the Company's ability to use the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. If changes were made to management's assessment regarding the Company's ability to use future tax deductions, the Company could be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

3.1 Cash and cash held in trust

The Company's cash is deposited with a major Canadian bank and the cash held in trust is the balance due to the Company in conjunction with an equity financing.

3.2 Restricted cash

The Company's restricted cash is the cash held in escrow due to the Company in conjunction with an equity financing. The restricted cash can only be released upon specific conditions related to a subscription receipt financing. Refer to Note 7.

3.3 Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation and any impairment in value. Depreciation is charged to income based on the cost. When significant parts of property and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation, respectively.

Depreciation of property and equipment is provided over the remaining useful lives of the assets using the declining balance method as follows:

- Computer equipment – 30%
- Furniture and fixtures – 20%

The asset's residual values, depreciation method and useful lives are reviewed annually and adjusted if appropriate. Gains and losses on disposal of property and equipment are recorded in the statement of loss and comprehensive loss in the year of disposal.

3.4 Intangible Assets

Development expenditures are capitalized as a part of intangible assets only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditures incurred for preparing and filing a product submission are also capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable, i.e. that approval of a marketing authorization from the International health authorities will be granted.

Separately acquired patents and licenses are recorded at cost less accumulated amortization and any accumulated impairment charges. These assets have finite useful lives. These costs will be amortized on a straight-line basis over the term of the respective patents and licenses, and their useful life as follows:

- Insujet Tradename – 10 years
- Insujet Technology – 10 years

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Impairment of non-financial assets

The Company assesses, at each reporting period, whether there is an indication that an asset may be impaired. An impairment is recognized when the carrying amount of an asset, or its cash generating unit ("CGU"), exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value or the CGU's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, an appropriate valuation model is used.

Intangible assets with indefinite lives and goodwill are tested annually; property and equipment, as well as intangible assets with a defined useful life are tested for impairment whenever there is an indication that the carrying amount of the asset or the CGU to which an asset has been allocated exceeds its recoverable amount. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the recoverable amount of the asset. A previously recognized impairment loss on a depreciable asset is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognized. The reversal of impairment losses is limited to the amount that would bring the carrying value of the asset to the amount that would have been recorded, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of loss and comprehensive loss in the same line item where the original impairment was recognized.

Intangible assets not yet available for use are reviewed for impairment at least annually or more frequently if circumstances such as significant declines in expected sales, earnings or cash flows indicate that it is more likely than not that the asset might be impaired.

3.6 Equity

The Company's common shares, warrants and options are classified as equity instruments. Incremental costs directly related to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs related to modifications which increase the fair value of the equity instruments granted are also presented within equity.

3.7 Financial Instruments

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL").

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Below is a summary showing the classification and measurement bases of the financial instruments:

Classification	IFRS 9
Assets	
Cash	Amortized Cost
Accounts receivable	Amortized Cost
Liabilities	
Accounts payable and other liabilities	Amortized Cost
Loans	Amortized Cost
Cash consideration payable	Amortized Cost
Canada Emergency Business Account Loan	Amortized Cost
Contingent share consideration	FVTPL
Derivative liability	FVTPL
Convertible debt	Amortized Cost
Subscription receipts in escrow	Amortized Cost
Royalty obligation	Amortized Cost

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts and breaches of borrowing contracts such as default events or breaches of borrowing covenants. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of the financial asset. Given the limited exposure of the Company to credit risk, no loss allowance has been recognized as management believes any such impairment will not have a significant impact on the financial statements.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Taxation

Income tax (expense) recovery represents the sum of tax currently payable or recoverable and deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred tax

Income tax expense consisting of current and deferred tax expense is recognized in profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.9 Basic and diluted loss per share

The basic loss per share is computed by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options or warrants, in the weighted average number of common shares outstanding during the period, if dilutive. The “treasury stock method” is used for the assumed proceeds upon the exercise of the options that are used to purchase common shares at the average market price during the year. Shares to be issued have been considered outstanding for the purposes of basic loss per share calculations.

3.10 Share-based payments

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment.

Inolife R&D Inc.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (“the vesting date”). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company’s best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in reserves.

3.11 Convertible debt

Convertible debentures are financial instruments which are accounted for separately dependent on the nature of their components: a financial liability and an equity instrument. The identification of such components embedded within a convertible debenture requires significant judgment given that it is based on the interpretation of the substance of the contractual arrangement. Where the conversion option has a fixed conversion rate, the financial liability, which represents the obligation to pay coupon interest on the convertible debentures in the future, is initially measured at its fair value and subsequently measured at amortized cost. The residual amount is accounted for as an equity instrument at issuance. Where the conversion option has a variable conversion rate, the conversion option is recognized as a derivative liability measured at fair value through profit and loss. The residual amount is recognized as a financial liability and subsequently measured at amortized cost.

The determination of the fair value is also an area of significant judgment given that it is subject to various inputs, assumptions and estimates including: contractual future cash flows, discount rates, credit spreads and volatility.

Transaction costs are apportioned to the debt liability and equity components in proportion to the allocation of proceeds.

3.12 Valuation of contingent consideration

The Company recognizes the fair value of contingent consideration relating to acquisitions on the date the transaction closes. Contingent consideration is classified as either a liability or equity. Contingent consideration classified as a liability is carried at fair value with changes in fair value recorded in the consolidated statements of net income and comprehensive income. Contingent consideration classified as equity is not remeasured subsequent to initial recognition.

Contingent consideration classified as a liability is measured at fair value based on a Monte Carlo simulation approach. The future value of the contingent catch-up Share consideration was discounted from December 31, 2020 back to the valuation date using a rate of 16% and assuming a risk free rate of 0.89%.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Business combinations

Acquisitions have been accounted for using the acquisition method required by IFRS 3, Business Combinations. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at fair value on the acquisition date. The Company uses its best estimates and assumptions to accurately value assets and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, and these estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, the Company records adjustments to the assets acquired and liabilities assumed with a corresponding offset to goodwill. On conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recognized in the consolidated statements of net loss and comprehensive loss. Transaction costs the Company incurs in connection with a business combination are expensed as incurred.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9, Financial Instruments ("IFRS 9"), is measured at fair value with the changes in fair value recognized in the consolidated statements of net loss and comprehensive loss.

Goodwill arising on acquisition is initially measured as the excess of the fair value of the consideration transferred over the fair value of the net identifiable assets acquired and liabilities assumed (subject to certain exemptions to fair value measurement principles such as deferred tax assets or liabilities). If the consideration transferred is lower than the fair value of the net identifiable assets acquired, the difference is recognized immediately in the consolidated statements of net loss and comprehensive loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

3.14 Revenue recognition

Revenue is recognized by the Company in accordance with IFRS 15, Revenue from Contracts with Customers ("IFRS 15"). Through application of the standard, the Company recognizes revenue to depict the transfer of control of promised goods or services to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company records revenue when it has transferred the risks and rewards of ownership of the goods to the purchaser, when it has no continuing managerial involvement over the goods, when it is probable the Company will receive the consideration, and when it can reliably measure the amount of revenue and costs associated with the transaction.

In order to recognize revenue under IFRS 15, the Company applies the following five (5) steps:

- Identify a customer along with a corresponding contract;
- Identify the performance obligation(s) in the contract to transfer goods or provide distinct services to a customer;
- Determine the transaction price the Company expects to be entitled to in exchange for services to a customer;
- Allocate the transaction price to the performance obligation(s) in the contract; and
- Recognize revenue when or as the Company satisfies the performance obligation(s).

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue is recognized upon the satisfaction of the performance obligation. For product sales the Company satisfied its performance obligation and transfers control upon delivery and acceptance by the customer and in some circumstances, at that time of shipment from the Company's supplier to the customer. Under IFRS 15, revenues from the sale product are generally recognized at a point of time when control of the goods have been transferred to the customer. Payment is typically due upon transferring the goods to the customer or within a specified time period permitted under the Company's credit policy.

3.15 Leases

Effective January 1, 2019, the Company has adopted IFRS 16 Leases ("IFRS 16"). IFRS 16 replaces IAS 17 Leases and establishes a new model for lessee accounting that requires a lessee to recognize lease liabilities and corresponding right-of-use assets, reflecting the future commitments and rights created by lease contracts. The introduction of IFRS 16 primarily affects the accounting for leases that were previously accounted for as operating leases. IFRS 16 replaces the straight-line operating lease expenses with a depreciation charge for right-of-use assets and interest expense on lease liabilities. In addition, operating lease cash flows that were previously presented as operating cash flows are reported as financing cash flows under IFRS 16.

At the date of adoption, the Company applied IFRS 16 using the modified retrospective approach under which the right-of-use asset is measured at an amount equal to the lease liability, adjusted for any prepayments or accruals.

3.16 Segmented information

The operating segments are presented in accordance with the same criteria used for the internal report prepared for the chief operating decision-maker who is responsible for allocating the resources and assessing the performance of the operating segments. The chief operating decision-maker is identified as the chief financial officer, who assesses the performance of the segments based on revenues, gross profit and profit or loss.

3.17 Government grants

In the course of its activities, the Company receives various government grants to expand its operations and maintain staffing levels. These grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them, and that the grants will be received. Grants are applied as other income. Grants cover government assistance, including investment tax credits.

New accounting pronouncements

In October 2018, the IASB issued "Definition of a Business (Amendments to IFRS 3)". The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment provides an assessment framework to determine when a series of integrated activities is not a business. The amendments are effective for business combinations occurring on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The Company has evaluated the potential impact of these amendments and concluded that there is no impact to the Company's consolidated financial statements.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards and interpretations not yet adopted

Certain new standards, interpretations and amendments to existing standards issued by the IASB or the International Financial Reporting Interpretations Committee (IFRIC) that are not yet effective up to the date of issuance of the Company's financial statements are listed below.

IAS 1 Presentation of Financial Statements has been amended for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted. The update sets out the overall requirements for financial statements, including how they should be structured, the minimum requirements for their content and overriding concepts such as going concern, the accrual basis of accounting and the current/non-current distinction. The standard requires a complete set of financial statements to comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity and a statement of cash flows. The Company is assessing the impact of adopting this amendment on its consolidated financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors has been amended for annual reporting periods on or after January 1, 2023 with earlier application permitted. The update is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors.

The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. The Company is assessing the impact of adopting this amendment on its consolidated financial statements.

IAS 16 Property, Plant and Equipment has been amended for annual reporting periods beginning on or after January 1, 2022 with early application permitted. The update outlines the accounting treatment for most types of property, plant and equipment. Property, plant and equipment is initially measured at its cost, subsequently measured either using a cost or revaluation model, and depreciated so that its depreciable amount is allocated on a systematic basis over its useful life. Currently, the Company does not expect the amendment to IAS 16 to have a significant impact on its consolidated financial statements.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets has been amended for annual reporting periods

beginning on after January 1, 2022 with early application permitted. The update outlines the accounting for provisions (liabilities of uncertain timing or amount), together with contingent assets (possible assets) and contingent liabilities (possible obligations and present obligations that are not probable or not reliably measurable). The Company is assessing the impact of adopting this amendment on its consolidated financial statements.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 3 Business Combinations has been amended for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. The update outlines the accounting when an acquirer obtains control of a business. Such business combinations are accounted for using the 'acquisition method', which generally requires assets acquired and liabilities assumed to be measured at their fair values at the acquisition date. The Company is assessing the impact of adopting this amendment on its consolidated financial statements.

4. BUSINESS ACQUISITIONS

The Company acquired all of the issued and outstanding share capital of European Pharma Group B.V., a specialty medical device company focused on developing and commercializing novel drug delivery technologies in the form of needle-free injection systems, and its subsidiaries European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd. (collectively "EPG"). The consideration of the purchase price consist of; (i) issuance of 20,000,000 common shares for a fair value of 1,467,717; (ii) a convertible debenture of EUR 6,235,000; (iii) EUR 3,000,000 worth of shares, to be issued within 10 business days following the listing of the Company on the TSX Venture, at a pre-agreed price of EUR 0.30. In the event that in the 24 months as from the listing the price of the shares does not reach EUR 0.30 per share, an additional number of shares will be issued based on the average price of the 6 previous months to ensure that the total value received is EUR 3,000,000 (iv) EUR 1,000,000 in cash to be paid within 16 months of the acquisition's closing date, subject to performance milestones. The acquisition was made to enhance the Company's position in the business of medical devices by combining operations and expecting synergies, which is the reason why the Company recognized a goodwill in the purchase price allocation.

The Company expects to continue to obtain information to assist in determining the fair value of the net assets acquired at the acquisition date during the measurement period. Measurement period adjustments that the Company determines to be material will be applied retrospectively to the period of acquisition in the Company's consolidated financial statements and, depending on the nature of the adjustments, other periods subsequent to the period of acquisition could be affected.

The combined purchase price allocation at June 5, 2020 was established as follows:

	2020 \$
Recognized amounts of identifiable net assets	
Current assets	150,788
Depreciable fixed assets	25,793
Intangible assets – Tradename	839,012
Intangible assets - Technology	5,443,713
Current liabilities	(119,859)
Loan	(872,390)
Identifiable net assets	5,467,057
Goodwill	1,755,400
Total net assets acquired	7,222,457

Inolife R&D Inc.

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4. BUSINESS ACQUISITIONS (continued)

	2020 \$
Cash consideration payable	1,251,690
Convertible debt	3,779,345
Contingent share consideration	317,095
Derivative liability	406,610
Common shares	1,467,717
Total consideration	7,222,457

If the acquisition had been completed as of the beginning of the annual reporting period, the Company estimates it would have recorded an increase in net loss of \$681,509 for the period ended December 31, 2020.

The fair value of the cash consideration payable of EUR 1,000,000 was measured by discounting the notional principal using a discount rate of 15% over the 16-month period from the acquisition date. As at December 31, 2020, the cash consideration payable is \$1,398,334. On August 24, 2021, the terms of this loan were renegotiated (Note 22).

The fair value of the derivative liability was estimated based on a Black-Scholes model, assuming a risk-free rate of 0.89%, and a duration of 5.5 years.

The Company assumed a loan of EUR 575,000, bearing no interest, payable within ninety days of the go-public transaction. The fair value of the loan at the acquisition date is equivalent to the principal due to short-term maturity. As at December 31, 2020, the loan payable balance is \$897,460. On August 24, 2021, the terms of this loan were renegotiated (Note 22).

5. CAPITAL MANAGEMENT

The Company manages its common shares and accumulated deficit as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk, as there are no external restrictions on it.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets in order to adjust the amount of cash on its balance sheet.

In order to facilitate the management of its capital requirements, the Company may prepare expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

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6. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level 1 (“L1”) includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 (“L2”) includes inputs that are observable other than quoted prices included within L1.
- Level 3 (“L3”) includes inputs that are not based on observable market data (supported by little or no market activity).

As at December 31, 2020, the Company's cash, cash held in trust, restricted cash, accounts receivable, accounts payable and other liabilities, subscription receipts in escrow and loans are categorized under level 1 and their carrying amount approximates fair value due to their short-term nature. The royalty obligation, convertible debt, cash consideration payable, contingent share consideration, derivative liability are categorized under level 2 and their carrying value approximates its fair value as it is based on discounting the associated future cash outflows using a risk-adjusted discount rate which reflects market conditions.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, cash held in trust, restricted cash, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Cash held in trust consists of cash in the law firm trust account and restricted cash is held in the transfer agent escrow account. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at December 31, 2020 is the carrying value of cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. The contractual cash flows of the Company's undiscounted financial liabilities are as follows;

	Contractual cash flows (\$)	Less than one year	1-5 years (\$)	Greater than 5 years (\$)
December 31, 2020				
Accounts payable and other liabilities	991,237	991,237	-	-
Loans	1,122,460	1,122,460	-	-
Current portion of royalty obligation	250,000	250,000	-	-
Canada Emergency Business Account Loan	60,000	-	60,000	-
Cash consideration payable	1,560,800	1,560,800	-	-
Convertible debt	10,186,588	-	455,000	9,731,588
	14,171,085	3,924,497	515,000	9,731,588

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6. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	Contractual cash flows (\$)	Less than one year	1-5 years (\$)	Greater than 5 years (\$)
December 31, 2019				
Accounts payable and other liabilities	660,988	660,988	-	-
Lease liability	27,360	27,360	-	-
Loans	50,000	50,000	-	-
Convertible debt	284,238	284,238	-	-
Royalty obligation	350,000	150,000	250,000	-
	1,372,586	1,172,586	250,000	-

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is not exposed to any significant interest rate price risk.

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of their accounts payable balances, debentures, cash consideration payable and loan. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The company is exposed to unrealized foreign exchange risk through its U.S. dollar ("USD"), and Euros cash holdings. At December 31, 2020, a 10% change in the USD foreign exchange rate would result in a change of approximately \$50, and a 10% change in the Euros foreign exchange would result in a change of approximately \$5,000 on the cash balance and a change of \$416,000 on the liabilities.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

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7. RESTRICTED CASH

On December 30, 2020, the Company received \$6,000,000 in subscription receipts to purchase 15,000,000 units of the Company at \$0.40 per unit. The subscription receipts are held in escrow until the approval of the listing of the Company on the TSX Venture. The amount held in escrow is net of the commission paid to the broker of \$269,260.

8. INTANGIBLE ASSETS AND GOODWILL

During 2019, \$48,881 of engineering and process costs associated with the development of the Inojex technology and manufacturing were capitalized.

Following the acquisition of EPG on June 5, 2020, \$6,282,725 was recognized as intangible assets for the technology and trade name acquired by the business combination.

	Inojex Technology	Nanojex Technology	Total
Cost			\$
Balance – January 1, 2019	114,728	13,046	127,774
Addition – Inojex rights	48,881	8,277	57,158
Balance – December 31, 2019	163,609	21,323	184,932
Accumulated amortization			
Amortization	-	-	-
Balance – December 31, 2019	-	-	-
Carrying value, December 31, 2019	163,609	21,323	184,932

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8. INTANGIBLE ASSETS AND GOODWILL (continued)

Cost	Insujet Tradename	Technology	Inojex Technology	Nanojex Technology	Goodwill	Total \$
Balance – January 1, 2020	-	-	163,609	21,323	-	184,932
Acquired on business combination	839,012	5,443,713	-	-	1,755,400	8,038,125
Impairment	-	-	-	(21,323)	-	(21,323)
Balance – December 31, 2020	839,012	5,443,713	163,609	-	1,755,400	8,201,734
Accumulated amortization						
Amortization	48,042	311,708	-	-	-	359,750
Balance – December 31, 2020	48,042	311,708	-	-	-	359,750
Foreign currency translation						
Recorded in other comprehensive income	22,875	148,422	-	-	50,446	221,743
Carrying value, December 31, 2020	813,845	5,280,427	163,609	-	1,805,846	8,063,727

Amortization was taken for the period between June 5, 2020 to December 31, 2020 on the EPG intangible assets, based on a useful life of ten (10) years. No amortization was taken on Inojex as it remains under development.

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8. INTANGIBLE ASSETS AND GOODWILL (continued)

Annual impairment testing involves determining the recoverable amount of the CGU group to which goodwill is allocated and comparing this to the carrying value of the CGU groups. The measurement of the recoverable amount of the CGU groups was calculated based on the higher of the CGUs fair value less costs of sell or value in use, which are level 3 measurements within the fair value. The calculation of the recoverable amount based on discounting the future cash flows (value in use) was based on the following key assumptions:

- Cash flows were projected based on the Company's long-term business plan. The business plan contains forecasts based on actual operating results in conjunction with anticipated future growth opportunities, as well as industry and market trends. The forecasts were for the periods 2021 through 2025 (with a terminal year thereafter). Revenue compound annual growth rate was estimated to be 114%.
- Cash flows beyond 2025 were projected to grow at a perpetual growth rate, which was estimated to be 2%.
- The discount rate applied in determining the recoverable amount of the CGU was estimated to be 35%.

If all other assumption were held constant and there is a 29 per cent underperformance against forecasted compounded annual revenue growth rate, this would cause a decrease in the recoverable amount by \$4.5 million and the recoverable would be equal to the carrying value but there would be no impairment charge.

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9. PROPERTY AND EQUIPMENT

	Computer Equipment	Furniture & Equipment	Total
Cost			\$
Balance – January 1, 2019	5,603	348	5,951
Additions	-	-	-
Balance – December 31, 2019	5,603	348	5,951
Accumulated depreciation			
Balance – January 1, 2019	1,776	97	1,873
Depreciation	1,148	51	1,199
Balance – December 31, 2019	2,924	148	3,072
Carrying value, December 31, 2019	2,679	200	2,879
Balance – January 1, 2020	5,602	348	5,950
Assets acquired on business combination	3,390	22,403	25,793
Additions	1,824	3,706	5,530
Balance – December 31, 2020	10,816	26,457	37,273
Accumulated depreciation			
Balance – January 1, 2020	2,924	148	3,072
Depreciation	2,095	4,616	6,711
Balance – December 31, 2020	5,019	4,764	9,783
Carrying value, December 31, 2020	5,797	21,693	27,490

10. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	2020	2019
	\$	\$
Accounts payable	970,361	575,953
Interest payable on convertible debentures	-	77,282
Due to a director	13,876	4,512
Other payables	7,000	3,241
	991,237	660,988

All amounts in accounts payable are due within one year.

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11. LOANS

On December 18, 2020, the Company received a \$225,000 loan from Buzbuz Capital Corp, bearing 10% of interest. The loan shall be repaid in full on the earlier of: (i) closing qualifying transaction between the borrower and the lender; (ii) termination of the qualifying transaction or the definitive business combination agreement dated October 1, 2020 by either the lender or the borrower and (iii) on June 18, 2021.

In conjunction with the acquisition of European Pharma Group B.V., the Company shall pay to Mosadex the amount of EUR 575,000 (CAD \$897,460), bearing 0% interest. This amount shall be paid by the Company within 90 days from the listing of the Company on the TSX Venture Exchange. On August 24, 2021, the terms of this loan were renegotiated (Note 22).

During the year, the Company received a \$60,000 loan from the Canada Emergency Business Account ("CEBA Loan"). The CEBA Loan bears 0% interest until December 31, 2022. If the balance is not paid by December 31, 2022, the remaining balance will be converted to a 3-year term loan at 5% annual interest paid monthly, effective January 1, 2023. The full balance must be repaid by no later than December 31, 2025. No principal payments are required until December 31, 2022. Principal repayments can be voluntarily made at any time without fees or penalties. \$20,000 loan forgiveness is available, provided the outstanding balance is \$60,000 at December 31, 2020, and \$40,000 is paid back between January 1, 2021 and December 31, 2022. The loan was recognized at the fair value based on an estimated market interest rate of 18%. The difference between the loan amount of \$60,000 and the fair value of the loan of \$37,151 has been recognized as a government grant during the year. As at December 31, 2020, grant revenue in the amount of \$22,749 (2019 -nil) has been recorded in other income which represents the benefit of receiving an interest free-grant.

12. ROYALTY OBLIGATION

	2020	2019
	\$	\$
Royalty obligation	92,872	197,997
Add: Accretion expense	146,138	44,875
Total royalty obligation	239,010	242,872
Less: current portion	(239,010)	(143,334)
Non-current portion	-	99,538

On March 31, 2017, the Company entered into a royalty payment agreement with TransferTech Sherbrooke ("TTS") relating to the use and transfer of all rights, titles and interests associated with the Company's powder injection (Nanorejex) technology. In exchange for the rights and an option to acquire the technology, the Company has agreed to a royalty rate of 5% on sales made from the technology, with minimum royalty payments to be made annually, the present value of which have been recorded as a liability. The term of the agreement is indefinite and the Company retains the option to buy the technology from TTS until March 31, 2026 for an agreed price of \$3,000,000 or an amount representing 10% of the sale of any asset related to the Technology. Upfront fees, minimum royalty payments and associated taxes due totaled \$113,000 in 2019 and \$56,500 in 2018.

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

12. ROYALTY OBLIGATION (continued)

The present value of the remaining royalty obligation represents the present value of upcoming payment of \$250,000 due in March 2021. The royalty payment of \$150,000 that was due on March 31, 2020 remains unpaid and is included in accounts payable. As per an agreement between TTS and the Company, the minimum royalty payment for 2020 will be paid according to the following distribution: \$102,739.78 in cash and \$75,000 in Common Shares at a price of \$0.1333 per Common Share. The minimum royalty payment for March 31, 2021 and all subsequent years can be paid either in cash or common shares at the sole discretion of the Company.

The accretion expense on the royalty obligation is calculated using the present value of the remaining royalty obligations using a discount rate of 20%.

13. SHAREHOLDER'S EQUITY

The following details the share capital of Inolife R&D Inc.

Authorized: An unlimited number of common shares.

a) *Share Capital Authorized*

Movements in the company's share capital are as follows:

	Number of Shares	Amount \$
Balance, December 31, 2019	141,947,621	3,423,235
Shares issued for private placements	4,966,667	650,000
Shares issued on debt settlement	10,750,000	774,000
Shares issued on debt conversion	7,217,321	360,866
Shares issued on business combination	20,000,000	1,467,717
Shares issued on warrants exercised	2,425,000	300,700
Warrants issued – private placement	-	(165,196)
Balance, December 31, 2020	187,306,609	6,811,322

	Number of Shares	Amount \$
Balance, December 31, 2018	141,947,621	3,423,235
Balance, December 31, 2019	141,947,621	3,423,235

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

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13. SHAREHOLDER'S EQUITY (continued)

During the year ended December 31, 2020, the Company issued 4,966,667 units which comprise one common share and $\frac{1}{2}$ to 1 warrant at agreed prices between \$0.10 and \$0.20 per unit for gross proceeds of \$650,000. The Company also settled two debt for shares, resulting an issuance of 10,750,000 common shares at an agreed price of \$0.05 per share for a total amount of \$774,000. These debt settlements resulted in a loss of \$238,000 on settlement recorded in the statement of loss and comprehensive loss.

In relation to the acquisition of EPG and its subsidiaries on June 5, 2020, the Company issued 20,000,000 shares at a fair value of \$0.07 per share for total amount of \$1,467,717.

On August 31, 2020, the convertible debt initially issued on September 25, 2017 in the amount of \$284,238 and accrued interest in the amount of \$76,628 was fully converted to 7,217,321 common shares at a price of \$0.05.

On November 2020, 2,425,000 shares were issued upon warrants exercised at an exercise price of \$0.10, for a gross amount of \$242,500.

b) Share Purchase Options

The Company has a stock option plan (the "Plan") under which the Company may grant options to directors, officers, employees and consultants. The number of shares to be reserved and set aside for issue under this plan is determined from time to time by the Board. All stock options granted in 2019 vest immediately and have a two-year term to expiry from the date of grant. The continuity of outstanding stock options outstanding is as follows:

	Number of stock options	Weighted average exercise price per share \$
Balance – December 31, 2018	4,370,000	0.079
Granted	560,000	0.200
Exercised	-	-
Expired/Cancelled	(540,000)	0.054)
Balance – December 31, 2019	4,390,000	0.098
Granted	-	-
Exercised	-	-
Expired/Cancelled	(3,030,000)	0.098
Balance – December 31, 2020	1,360,000	0.098

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

13. SHAREHOLDER'S EQUITY (continued)

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the share-based payments for the stock options issued during the year ended December 31, 2019:

Share Price	\$0.09	2019 Total
No. of options	560,000	560,000
Exercise price ranges	\$0.10 - \$0.30	\$0.10 - \$0.30
Expected life in years	2	2
Volatility	79%	79%
Risk-free interest rate ranges	1.46%-1.82%	1.46%-1.82%
Dividend yield	-	-
Fair value of options granted	\$0.03	\$0.03

The volatility of the Company's shares is based on an average of share volatilities as reported by a selection of small-cap, publicly-traded peers operating within the needleless injection and general medical device space.

The following table provides additional information about outstanding stock options at the end of December 31, 2020:

Exercise prices	No. of Options Outstanding	Weighted Average Remaining Life (Years)
\$0.10	1,050,000	1.4
\$0.20	60,000	0.1
\$0.30	250,000	1.1
\$0.19	1,360,000	1.08

c) Reserves

The option and warrant reserve accounts have been created to record the offsetting credits of the share-based payment expense relating to the issuance of share options and warrants and convertible debentures.

	2020 \$	2019 \$
Opening balance	1,214,299	706,641
Option reserve	-	15,390
Conversion of debentures (Note 14)	(62,005)	-
Warrant reserve (Note 13d))	165,196	492,268
Warrants exercised (Note 13a))	(58,200)	-
Warrants expired (Note 13a))	(250,560)	-
Total reserve	1,008,730	1,214,299

Inolife R&D Inc.**Notes to the Consolidated Financial Statements***For the years ended December 31, 2020 and 2019**(Expressed in Canadian dollars)***13. SHAREHOLDER'S EQUITY (continued)****d) Warrants**

During the year ended December 31, 2020, the Company issued 4,616,667 warrants in connection with a private placement offering a ½ to 1 warrant exercisable at \$0.20 and \$0.30 over a three-year period for each unit purchased. These warrants were recorded in warrant reserve at the value attributed to them at the time of the issue of the private placement being \$165,196. The continuity of outstanding share warrants is as follows:

	Number of warrants	Weighted average exercise price per share \$
Balance – December 31, 2018	31,523,810	0.11
Granted	-	-
Exercised	-	-
Expired/Cancelled	-	-
Balance – December 31, 2019	31,523,810	0.11
Granted	4,616,667	0.24
Exercised	(2,425,000)	-
Expired/Cancelled	(10,440,000)	-
Balance – December 31, 2020	23,275,477	0.13

The warrants granted during the period were valued using a Black-Scholes model, assuming share price of \$0.07, risk free interest rate of 0.29%, volatility of 97%.

On November 12, 2019, the Board of Directors voted to extend the expiration date of all warrants for an additional twelve (12) months.

The following table provides additional information about outstanding share warrants at the end of December 31, 2020:

Exercise prices	No. of Warrants Outstanding	Weighted Average Remaining Life (Years)
\$0.10	14,173,810	1.0
\$0.20	7,085,000	1.7
\$0.30	2,016,267	2.1
\$0.13	23,275,077	2.3

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

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14. CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY

Convertible debt 1

On August 31, 2020, the convertible debt initially issued on September 25, 2017 in the amount of \$284,238 and \$76,628 of accrued interest was fully converted to 7,217,321 common shares at a price of \$0.05. Upon conversion, \$62,005 was transferred from reserves to deficit.

Convertible debt 2

On June 5, 2020, as part of the consideration issued for the acquisition of EPG and its subsidiaries, the Company issued a convertible debenture of 6,235,000 EUR convertible at \$0.95 and carries no interest. The fair value of the debt component was estimated by discounting the principal by a market rate of 16.57% over its 5.5 year term. The fair value of the derivative liability was estimated using the Black-Scholes model, assuming a risk free rate of 0.89%, and a duration of 5 years.

Convertible debt 3

During the year ended December 31, 2020, the Company completed a bridge financing, by a non-brokered private placement for gross proceeds of \$455,000 by issuing convertible debenture units, each unit being comprised of a \$1,000 unsecured convertible debenture bearing an interest rate of 10% per annum, due on the date that is thirty-six months from the closing date, convertible to acquire one (1) share at a conversion price of \$0.10 per share. The financing included transaction costs of \$12,800 which resulted into net proceeds of \$442,200. As a result of the conversion price of the debentures not being fixed at the time of issuance, the conversion feature is a derivative liability and is revalued at each period end. The value of the derivative liability at the date of issuance and the 2020 year-end date was determined using the Monte Carlo method based on annual volatility of 100%, risk-free rate of 0.27%, and market price of common share of \$0.07 for initial recognition valuation and annual volatility of 105%, risk-free rate of 0.24%, and a market price of common share of \$0.12 for the December 31, 2020 valuation.

The following table summarizes the components of the convertible debt:

	Liability component	Derivative liability	Equity component	Total
Balance, December 31, 2019	269,162	-	62,005	331,167
<i>Convertible debt 1</i>				
Accretion and interest expense	12,671	-	-	12,671
Conversion of debentures to shares	(281,833)	-	(62,005)	(343,838)
<i>Convertible debt 2</i>				
Debentures issued on business combination	3,779,345	406,610	-	4,185,955
Accretion expense	379,861	-	-	379,861
Change in fair value	-	(94,110)	-	(94,110)
Effects of foreign exchange	115,984	-	-	115,984
<i>Convertible debt 3</i>				
Debentures issued on bridge financing	245,350	196,850	-	442,200
Accretion and interest expense	22,500	-	-	22,500
Change in fair value	-	73,316	-	73,316
Balance, December 31, 2020	4,543,040	582,666	-	5,125,706

Inolife R&D Inc.**Notes to the Consolidated Financial Statements***For the years ended December 31, 2020 and 2019*

(Expressed in Canadian dollars)

14. CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (continued)

	Liability component	Derivative liability	Equity component	Total
Balance, December 31, 2018	248,849	-	62,005	310,854
<u>Convertible debt 1</u>				
Accretion expense	20,313	-	-	20,313
Balance, December 31, 2019	269,162	-	62,005	331,167

15. CONTINGENT SHARE CONSIDERATION

The contingent share consideration resulted from the business combination based on the catch-up clause which requires the Company to issue an additional number of shares based on the average price of the 6 previous months in the event that in the 24 months as from the listing the price of the shares does not reach EUR 0.30 per share.

The fair value of the contingent share consideration at business combination date was estimated using a Monte Carlo simulation based on the following assumptions: share price volatility of 106%, exchange rate volatility of 6,7%, risk free rate of 0.73%,

At remeasurement date, the contingent share consideration was estimated using a Monte Carlo simulation based on the following assumptions: share price volatility of 113%, exchange rate volatility of 6,7%, risk free rate of 0.21%,

	Contingent share consideration
Balance, December 31, 2019	
Debentures issued on business combination	317,095
Change in fair value	22,829
Balance, December 31, 2020	339,924

Inolife R&D Inc.
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16. LEASES

Lease liability

The following table presents future aggregate minimum lease payments under leases.

	2020 \$	2019 \$
No later than one year	-	24,628

The lease liability was derecognized during the year ended December 31, 2020 due to termination of the lease on May 1, 2020.

Right-of-Use Asset

The Right-of-use asset was derecognized during the year ended December 31, 2020 due to termination of the lease on May 1, 2020. Depreciation of \$9,706 was recorded up to the termination date. The derecognition of the lease liability and right-of-use asset resulted into a gain of \$814.

17. RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Compensation awarded to key management includes the following:

	Year ended December 31, 2020 \$	Year ended December 31, 2019 \$
Balances:		
Short-term employee benefits	193,625	463,073
Share-based payments - options	-	-
Total compensation to key management	193,625	463,073

Balances owed to key management include the following:

Presented as a due to a director within accounts payable and other liabilities, \$13,876 due to key management for reimbursement of expenses and board-related fees incurred during the year ended December 31, 2020.

Inolife R&D Inc.**Notes to the Consolidated Financial Statements***For the years ended December 31, 2020 and 2019*

(Expressed in Canadian dollars)

18. FINANCE EXPENSES

	2020 \$	2019 \$
Interest expense on convertible debt	1,751	34,109
Interest expense on lease liability	786	6,076
Accretion and interest expense on convertible debt (Note 14)	415,032	20,313
Accretion expenses - cash component (Note 4, 22)	108,484	-
Accretion expense - royalty obligation (Note 12)	146,138	44,875
Gain/loss on debt conversion (Note 13)	238,000	-
Gain on derecognition - lease liability (Note 16)	(814)	-
Gain on change in fair value on derivative liability and contingent share consideration (Note 14,15)	2,036	-
Total finance expenses	911,413	105,373

19. INCOME TAXES

Income tax recovery differs from the amount that would be computed by applying the Canadian statutory income tax rate of 26.5% to income before taxes. The reasons for the differences are as follows:

	Year ended December 31, 2020 \$	Year ended December 31, 2019 \$
Loss before taxes	(3,490,621)	(1,982,755)
Statutory tax rate	26.5%	26.5%
Expected income recovery	(925,015)	(525,430)
Difference in tax rates due to foreign subsidiaries	13,145	
Items not deductible for income tax purposes and other	127,689	15,520
Unrecognized deductible temporary differences	796,347	509,910
Current tax expense	12,166	-

The significant components of the deferred tax assets and (liabilities) of the Company are as follows:

	Year ended December 31, 2020 \$		
	Opening balance	Recognized in business combination	Recognized in Profit or Loss Closing balance
Deferred tax assets (liabilities):			
Share issue costs	3,996	-	(3,996)
Non capital loss		1,570,681	(91,012)
Convertible debt	(3,996)	-	3,996
Intangibles		(1,570,681)	91,012
			(1,479,669)

Inolife R&D Inc.**Notes to the Consolidated Financial Statements***For the years ended December 31, 2020 and 2019**(Expressed in Canadian dollars)***19. INCOME TAXES (continued)**

	Year ended December 31, 2019			
	\$			
	Opening balance	Recognized in equity	Recognized in Profit or Loss	Closing balance
Deferred tax assets (liabilities):				
Share issue costs	9,379	-	(5,383)	3,996
Convertible debt	(9,379)	-	5,383	(3,996)
	-	-	-	-

The Company's deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	Year ended December 31, 2020	Year ended December 31, 2019
	\$	\$
Property and equipment	16,686	3,060
Share issue costs	24,534	73,297
Right-of-use asset	10,943	1,265
Non-capital losses	13,902,333	3,711,419
Unrealized foreign exchange	145,588	-
SR&ED Non-refundable tax credits	9,131	9,131
Intangibles	1,881,004	121,232
Unrecognized deductible temporary differences	15,990,219	3,919,404

The company has not recognized a deferred tax asset in respect of \$6,520,687 of non-capital losses in Canada, which expire between 2037 and 2040. The company also has not recognized a deferred tax asset in respect of \$7,381,646 of non-capital losses in its foreign subsidiaries, which expire between 2024 and 2026.

20. FINANCIAL INSTRUMENTS

The Company does not acquire, hold or issue derivative financial instruments for trading purposes. The following table presents the classification, measurement subsequent to initial recognition, carrying values and fair values (where applicable) of financial assets and liabilities.

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

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20. FINANCIAL INSTRUMENTS (continued)

Classification	Measurement	Carrying Value 31-Dec 2020	Fair Value 31-Dec 2020	Carrying Value 31-Dec 2019	Fair Value 31-Dec 2019
Financial Assets					
Cash, including cash held in trust	Amortized cost	276,349	276,349	1,941	1,941
Restricted cash	Amortized cost	5,730,740	5,730,740	-	-
Accounts receivable	Amortized cost	3,120	3,120	2,340	2,340
		6,010,209	6,010,209	4,281	4,281
Financial Liabilities					
Accounts payable and other liabilities	Amortized cost	991,237	991,237	660,988	660,988
Loans	Amortized cost	1,122,460	1,122,460	50,000	50,000
Canada Emergency Business Account Loan	Amortized cost	37,151	37,151	-	-
Cash consideration payable	Amortized cost	1,398,334	1,398,334	-	-
Contingent share consideration	FVTPL	339,924	339,924	-	-
Derivative liability	FVTPL	582,666	582,666	-	-
Convertible debt	Amortized cost	4,543,040	4,543,040	269,162	269,162
Subscription receipts in escrow	Amortized cost	6,000,000	6,000,000	-	-
Current portion of royalty obligation	Amortized cost	239,010	239,010	143,334	143,334
Long-term portion of royalty obligation	Amortized cost	-	-	99,538	99,538
		15,253,822	15,253,822	1,223,022	1,223,022

Short-term financial instruments, comprising cash, restricted cash, accounts receivable, accounts payable and other liabilities, loans, current portion of royalty obligation, and subscription receipts in escrow are carried at amortized cost which, due to their short-term nature, approximates their fair value. Long-term financial instruments consist of the long-term portion of royalty obligation, Canada Emergency Business Account Loan, convertible debt and cash consideration payable are carried at amortized cost and are measured based upon discounted future cash flows using a discount rate, adjusted for the Company's own credit risk, that reflects current market conditions for instruments with similar terms and risks. Contingent share consideration and derivative liability are carried at fair value and are measured using different valuation techniques such as Black-Scholes option pricing model and Monte Carlo simulations as described in notes 4, 14 and 15.

Inolife R&D Inc.

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For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

21. SEGMENT REPORTING

The Canadian-based company has one operating segment and one reportable segment, being the manufacturing of needless injector devices. Geographic segment information of the Company's non-current assets and revenues as at December 31, 2020 and December 31, 2019 are as follows:

	December 31, 2020	December 31, 2019
	\$	\$
Non-current assets		
Canada	165,644	211,174
Netherlands	7,904,290	-
China	21,283	-
Total	8,091,217	211,174

	December 31, 2020	December 31, 2019
	\$	\$
Revenues		
Europe	30,583	-
Asia	13,841	-
Others	2,871	-
Total	47,295	-

22. SUBSEQUENT EVENTS

During February 2021, two investors decided to release their investments from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 5,625,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.13 per unit for gross proceeds of \$750,000.

During June 2021, one investor decided to release his investment from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 750,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.13 per unit for gross proceeds of \$100,000.

On June 30, 2021, an amendment of the share purchase agreement between Care4Pharma and the Company related to the acquisition of European Pharma Group B.V. was agreed to reduce the amount payable of EUR 575,000 to EUR 275,000, and increase the cash consideration payable from EUR 1,000,000 to EUR 1,200,000, as well as postpone both repayment to 28 months after the listing of the Company on the TSX Venture Exchange.

Inolife R&D Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2020 and 2019

(Expressed in Canadian dollars)

22. SUBSEQUENT EVENTS (continued)

An extension has been granted to the Company until September 30, 2021 to satisfy the Escrow Release Conditions in relation to the subscription receipts financing. During the year ended December 31, 2020, the Company completed a Private Placement ("PP") by issuing 15,000,000 Sub-Receipts at a price of \$0.40 per Sub-Receipt for gross proceeds of \$6,000,000. Each Sub-Receipt is automatically convertible into one (1) unit of Inolife without any further action by the holder thereof and for no additional consideration. Each Inolife PP Unit is comprised of one Inolife Share and one-half (1/2) common share purchase warrant. Each whole Inolife PP Warrant is exercisable into one (1) Inolife Share at an exercise price of \$0.70 per share for twelve (12) months following satisfaction of the Escrow Release Conditions on or prior to September 30, 2021, or such other date agreed to by Inolife and the Agent.

On August 17, 2021, four investors decided to release their investments from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 1,560,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.13 per unit for gross proceeds of \$208,000.

On August 24, 2021, an amendment of the share purchase agreement in conjunction with the acquisition of European Pharma Group B.V. was signed between Mosadex and the Company to reduce the loan of EUR 575,000 to EUR 275,000 and to postpone the repayment within 28 months from the listing of the Company on the TSX Venture Exchange. Also, both parties agreed to increase the amount of the cash consideration payable of EUR 1,000,000 to EUR 1,200,000 but to postpone the repayment by the Company to 28 months after the listing of the Company on the TSX Venture Exchange.

On August 26, 2021, the Company signed an amended and restated loan agreement with BuzBuz Capital Corp (see Note 11), obtaining a further \$25,000 for an aggregate loan principal balance of \$250,000, bearing interest at 10% maturing March 18, 2022.

On August 27, 2021, the Company signed two loan agreements of \$50,000 each, for a total of \$100,000, bearing interest at 20%, maturing on February 27, 2023. A minimum of 6 months of interest shall be paid in advance, and in the event the Company repays the principal amount of these loans prior to August 27, 2022, the loan shall bear an additional interest of 5%.

On September 17, 2021, an investor decided to release their investment from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 2,250,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.13 per unit for gross proceeds of \$300,000.



Management's Discussion and Analysis

For the years ended December 31, 2020 and 2019

This Management's Discussion and Analysis ("MD&A") of consolidated financial results is dated May 14, 2021 and reviews the business of Inolife R&D Inc. (the "Company" or "Inolife"), for the years ended December 31, 2020 and 2019, and should be read in conjunction with the accompanying audited annual financial statements and related notes for the years ended on December 31, 2020 and 2019.

Forward looking information

Some statements contained in this MD&A constitute forward-looking statements including, without limitation, anticipated developments in the Company's operations in future periods and other events or conditions that may occur in the future. These statements relate to future events or the Company's future performance and are inherently uncertain and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those mentioned herein under heading "RISKS AND UNCERTAINTIES". Management believes that the expectations reflected in those statements are reasonable, but no assurance can be given that these expectations will prove to be correct. It is recommended not to place undue reliance on forward looking statements as the plans, intentions or expectations upon which they are based might not occur.

Although management believes that the expectations represented by such forward-looking statements are reasonable, there is significant risk that the forward-looking statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Forward-looking statements in this MD&A include, but are not limited to:

1. Statements concerning the Company's primary business activities and,
2. The Company's intention to seek and acquire products and assets to create shareholder value.

The Company does not undertake to update any forward-looking information provided in this MD&A, except as, and to the extent required by, applicable securities laws. For more information on the Company and its business, investors should review the Company's other regulatory filings filed with securities commissions or similar authorities in Canada that are available on SEDAR at www.sedar.com. The Company reviews its forward-looking statements on an ongoing basis and updates this information when circumstances require it.

DESCRIPTION OF THE COMPANY

Inolife was incorporated under the laws of Ontario on September 5, 2017. The Company's registered address and principal place of business is located at 1801-1 Yonge Street, Toronto, ON, M5E 1W7.

Inolife R&D Inc. is a medical device manufacturing company specializing in the field of needleless injectors and related technologies.

On June 5, 2020, the Company closed the acquisition of all of the issued and outstanding share capital of European Pharma Group B.V. and its subsidiaries European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd. (collectively "EPG"). The consideration of the purchase price consist of; (i) issuance of 20,000,000 common shares for a fair value of 1,467,717; (ii) a convertible debenture of EUR 6,235,000; (iii) EUR 3,000,000 worth of shares, to be issued within 10 business days following the listing of the Company on the TSX Venture, at a pre-agreed price of EUR 0.30. In the event that in the 24 months as from the listing the price of the shares does not reach EUR 0.30 per share, an additional

number of shares will be issued based on the average price of the 6 previous months to ensure that the total value received is EUR 3,000,000 (iv) EUR 1,000,000 in cash to be paid within 16 months of the acquisition's closing date, subject to performance milestones. The acquisition was made to enhance the Company's position in the business of medical devices by combining operations and expecting synergies, which is the reason why the Company recognized a goodwill in the purchase price allocation.

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations.

The Company incurred a net loss for the year ended December 31, 2020 of \$3,670,402, has accumulated a deficit of \$8,704,308 and incurred negative cash flow from operations \$1,393,736. As the Company is working on developing markets and working to find distribution networks, it will require additional financing to meet its working capital requirements. As the Company is still in its development phase, material conditions exist that may cast significant doubt on the Company's ability to continue as a going concern. Management actively manages its forecasted cash requirements and has determined that the Company has adequate resources to continue as a going concern through the next twelve months. On December 30, 2020, the Company closed a brokered private placement of \$6,000,000. These funds are held in escrow and will be released upon the listing of the Company on the TSX Venture.

These consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

DESCRIPTION OF THE BUSINESS

Inolife is an emerging specialty medical device company focused on developing and commercializing novel drug delivery technologies. Inolife's principal business is the research, development and commercialization of innovative needle-free injection devices and systems for the administration of subcutaneous medication.

It is developing products using its novel needle-free delivery technology in several important fields including, but not limited to, anaphylaxis, diabetes, severe migraine, erectile dysfunction, chronic anaemia, neutropenia, autoimmune rheumatoid arthritis, growth and fertility hormone, psoriasis as well as DNA and conventional/pediatric vaccines.

Inolife is focusing its development efforts in needle free devices in two areas: (i) liquid jet delivery through the InsuJet™™ platform; (ii) and ballistics-based intradermal powder drug injection through the Nanojex platform.

Inolife's InsuJet™™ technology platform is based on jet-stream administration of liquid drugs. The operating principle of jet-stream injection technology is to press liquid through a small orifice of a special nozzle such that the injector device creates a fine, high speed jet that can penetrate the skin.

Inolife manufactures and commercializes needle-free injection systems that have received regulatory approvals to be sold in over 40 countries globally. The Corporation is currently manufacturing and has begun soft-selling the InsuJet™™ system with an immediate focus on servicing the diabetic community as well as developing the next generation products using its novel needle-free delivery platform. This

technology platform is compatible in several important fields and not limited to diabetes. The Corporation intends to explore applications for chronic pain, growth and fertility hormone, migraine, erectile dysfunction, autoimmune, anesthesia, as well as mRNA, DNA and conventional vaccines.

Inolife and its subsidiaries, suppliers, manufacturers or other service providers have obtained all relevant licenses, regulatory approvals, permits or other authorizations from relevant governmental authorities in order to carry on the business as currently conducted and that such licenses, permits and regulatory approvals that have been obtained are in good standing. The licenses include the CE certification obtained from GMED, granted April 21, 2021, which is valid until May 26, 2024. All the suppliers maintain relevant certifications needed to conduct their business, and critical suppliers are covered by the annual audit scope of GMED.

During the year ended December 31, 2020, the Company conducted these research and development activities:

InsuJet™

- Development of the InsuJet™ V6. This is a further re-design of the V5 injector, where the focus is on the improvement of the general ergonomics and esthetics of the device.
- Development of the V8 injector and sterile accessories. This is a major innovation, where the technology is changed so that it allows for the storage of a drug container inside the injector, similar to an insulin pen. This will offer significant advantages in terms of overall usability, as the drug aspiration step is simplified.

No research and development activities were conducted on *Inojex* and *Nanojex* during the year ended December 31, 2020.

As at December 31, 2020, the cumulative research and development expenses are:

Inojex:	\$163,609
Nanojex:	\$260,882
InsuJet™:	\$2,454,005 (€1,572,274)

Project	Description of the project	Company's plan	Status	Expenditures made	How the expenditures relate to the anticipated timing and costs to take the project to the next stage of the plan	Whether or not the Company plans to expend additional funds on the project	Any factors that have affected the value of the project
InsuJet™	Needle-free liquid jet injector, spring powered. There is a first-generation product in the market which is undergoing incremental improvements (V5, V6), and there are future generation models based on break through innovations (V7, V8)	- Increase marketing and commercialization efforts of current InsuJet™ V5 - Start development of InsuJet™ V6 - Continue development of future generation injectors with focus on connectivity-IOT (V7) and innovative features (drug storage inside device, V8)	- By mid-2020 the V5 injector was approved to go to market - InsuJet™ V6: concept development - InsuJet™ V7 in engineering & prototype stage - InsuJet™ V8 in early concept stage, with some key features in engineering/prototype stage	\$20,167	- V5: Expenses for testing, trial production runs, needed for device approval - V6: The R&D expenses resulted in new & improved design concept for the injector - V7: The R&D expenses resulted in improved performance of the prototype by improving hardware design, making the technology more viable. - V8: The R&D expenses resulted in an innovative patentable solution for drug aspiration, greatly enhancing the usability	- V5: currently in market - V6: in year 1, conditional to cash flow from operations - V7: in year 2, conditional to cash flow from operations - V8: in year 3, conditional to cash flow from operations	None
Inojex	Liquid jet needle-free technology	Build a 1 cavity prototype tool for the molding of the Ampoule Housing part (disposable syringe)	The device is in pre-commercialization development phase	None	No R&D activities have been done on this technology during 2020	No plan to expend additional funds during 2021	None
Nanojex	Ballistics-based intradermal powder drug injection device,	Inolife intends to continue its research at the proof-of-concept	The device is in pre-commercialization development	None	No R&D activities have been done on this technology during 2020	No plan to expend additional funds during 2021	None

Project	Description of the project	Company's plan	Status	Expenditures made	How the expenditures relate to the anticipated timing and costs to take the project to the next stage of the plan	Whether or not the Company plans to expend additional funds on the project	Any factors that have affected the value of the project
	aimed at painless delivery of medicine intradermally using a gas jet to accelerate nanoparticles powdered drug or protein at supersonic speed with a single-use, disposable, handheld device	stage. Although it is the ultimate goal to eventually commercialize Nanojex, Inolife has no present plans relating to manufacturing of this device.	phase				

BASIS OF PRESENTATION

These consolidated financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments and assets that are measured at fair value, as explained in the accounting policies described herein.

RESULTS OF OPERATIONS

The Company has generated \$47,295 of revenues for the years ended December 31, 2020 and -nil in 2019.

For the years ended December 31, 2020 and 2019,

1. Sales and marketing expenses were \$239,622 in 2020 vs. \$478,444 in 2019, a decrease of \$238,822 as a result of reduced promotional activities in 2020. The sales and marketing expenses incurred during the year ended December 31, 2020 consisted of \$200,000 of brand development services, \$53,445 of travel expenses due to the travel of the COO between both Netherlands and Shenzhen facilities and CEO travel in Canada to attend meetings with suppliers and partners, as well as \$7,500 of clinical studies fees.
2. Salaries and benefits expenses were \$684,288 in 2020 vs. \$408,023 in 2019, an increase of \$276,265 attributable to the acquisition of EPG who has employees in addition to the parent company. Even if the Company do not generate significant revenues, 11 employees works in R&D, testing and packaging at the Shenzhen facility, and 3 employees in the Netherlands facility for administrative purpose, engineering designer and COO
3. General and administrative expenses were \$273,425 in 2020 vs. \$47,343 in 2019, an increase of \$226,082, attributable to the acquisition of EPG. The general and administrative expenses consist of rent (Netherlands \$35,813, China \$102,445), insurance (\$37,342), office expenses (\$63,931), filing fees (\$27,085) and interest & bank charges (\$6,809).
4. Professional fees were \$1,063,650 in 2020 vs. \$948,308 in 2019, an increase of \$115,342 attributable to higher legal, accounting and consulting fees in 2020 related to funding and listing activities. These professional fees consisted of audit & review fees from MNP LLP as well as legal fees related to private placement, EPG acquisition and the listing application of the Company on the TSXV.
5. Depreciation charges were \$359,750 in 2020 vs. \$1,198 in 2019, attributable to the intangible assets and fixed assets purchased by the acquisition of EPG.
6. Depreciation of the right-of-use asset was \$9,706 in 2020 vs. \$27,271 in 2019, attributable to the termination of the lease on May 1, 2020.
7. Share based payment expenses were \$-nil in 2020 vs. \$15,390 in 2019 and attributable to options issued in 2019 vs none in 2020.
8. Loss on foreign exchange was \$158,492 in 2020 vs. \$17,777 in 2019 attributable to the consideration issued related to the acquisition of EPG, which are denominated in Euros.
9. Net finance expenses were \$911,413 in 2020 vs. \$105,373 in 2019, due to the convertible debts and other liabilities related to the purchase of shares of EPG.

10. Tax expense was \$12,166 in 2020 and \$nil in 2019. Tax expense in 2020 is due to the tax payable by EPG.

11. A net loss and comprehensive loss of \$3,478,396 in 2020 vs. \$1,982,755 in 2019 was incurred.

BALANCE SHEET HIGHLIGHTS

For the years ended December 31, 2020 and 2019,

1. Cash and cash equivalents were \$276,349 in 2020 vs. \$1,941 in 2019. The Company did not raise any funds in 2019 vs funds raised in 2020, which explains the increase of cash and cash equivalents. The Company also has restricted cash in 2020 of 5,730,740 related to the funds held in escrow in conjunction to the 6M\$ subscription receipts in escrow closed on December 30, 2020.
2. Current assets were \$6,470,355 in 2020 vs. \$327,539 in 2019, with the difference attributable to the increase of cash and restricted cash in 2020.
3. Total assets were \$14,561,572 in 2020 vs. \$538,713 in 2019, with the difference attributable to intangible assets and goodwill related to the acquisition of EPG.
4. Current liabilities were \$9,751,041 in 2020 vs. \$1,148,112 in 2019, with the difference primarily attributable to the loans and cash consideration payable as well as the Subscription receipts in escrow.
5. Non-current liabilities were \$5,502,781 in 2020 and \$99,538 in 2019, an increase of \$5,403,243 which represents the convertible debt, derivative liability and contingent share consideration resulting from the EPG acquisition.
6. Share capital was \$6,811,322 in 2020 vs \$3,423,235 in 2019, an increase of \$3,388,087 due to a private placement, conversion of debt, as well as shares issued as part of the business combination.
7. Reserves were \$1,008,730 in 2020 and \$1,214,299 in 2019, the decrease mainly attributable to the expiration of warrants and options.
8. Deficit was \$(8,704,308) in 2020 and \$(5,346,471) in 2019, with the increase attributable to the increased net loss in 2020.

ISSUED AND OUTSTANDING SHARE DATA

	December 31, 2020		December 31, 2019	
	Number	Amount	Number	Amount
		\$		\$
Balance, beginning of year	141,947,621	3,423,235	141,947,621	3,423,235
Issuance of shares – Private placement	4,966,667	650,000	-	-
Warrants issued – Private placement	-	(165,196)	-	-
Issuance of shares – Debt settlement	10,750,000	774,000	-	-
Issuance of shares – Debt conversion	7,217,321	360,866	-	-
Issuance of shares – Acquisition of assets	20,000,000	1,467,717	-	-
Issuance of shares – Warrants exercised	2,425,000	300,700	-	-
Balance, end of year	187,306,609	6,811,322	141,947,621	3,423,235

The Company has 192,931,609 outstanding common shares as at May 14, 2021.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2020, the Company had \$6,470,355 in current assets, comprised of cash and cash held in trust, restricted cash, accounts receivables, sales taxes and income tax recoverable, deferred financing cost and prepaid expenses.

At December 31, 2020, the Company had a negative working capital of \$(3,280,686) comprised of cash (\$276,349), receivables (\$3,120), sales tax receivables (\$142,189), inventory (\$9,713) and prepaid expenses (\$38,984) which was more than offset by accounts payable and other liabilities (\$991,237), loans (\$1,122,460), cash consideration payable (\$1,398,334) and the current portion of the company's royalty obligation (\$239,010).

The Company incurred a net loss and comprehensive loss for the years ended December 31, 2020 of \$3,478,396 and had an accumulated a deficit of \$8,704,308.

As the Company is developing markets and working to find distribution networks, it will require additional financing to meet its working capital requirements. As the Company is still in its start-up phase, material conditions exist that may cast significant doubt on the Company's ability to continue as a going concern. Management actively manages its forecasted cash requirements and has determined that the Company has adequate resources to continue as a going concern through to the end of 2022. On December 30, 2020, the Company closed a brokered private placement of \$6,000,000. This amount is held in escrow until the satisfaction of Escrow conditions.

The Company estimate these funds of \$6,000,000, less the \$269,260 commission payable to the agent, to be available to the Company at the end of the second quarter of 2021. Following the released of these funds, the Company will have the capacity to pay its short-term liabilities and will have enough resources to cover its operating expenses, capital expenditures and product development for at least the next twelve months.

	Total	Non-cash transactions	Less than a year	1-3 years
	\$	\$	\$	\$
Contractual obligation				
Accounts payable and other liabilities	991,237	75,000	916,237	-
Loans	1,122,460	-	1,122,460	-
Cash consideration payable	1,398,334	-	1,398,334	-
Canada Emergy Business Account Loan	37,151		-	37,151
Contingent share consideration	339,924	339,924	-	-
Derivative liability	582,666	582,666	-	-
Convertible debt	4,543,040	4,543,040	-	-
Total, contractual obligations	9,014,812	5,540,630	3,437,031	37,151

As showed in this table, the Company will have, from the funds actually held in escrow, at least 2.25M\$ to cover its further operating expenses. The amounts the Company will require over the short and long term to fund operations and to meet its planned growth and development activities are:

	Short term (\$)	Long term (\$)	Total (\$)
Operating expenses	830,000	520,000	1,350,000
Planned growth	160,000	255,000	415,000
Development activities	15,000	135,000	150,000
TOTAL:	1,005,000	910,000	1,915,000

The Company's ability to continue as a going concern is dependent upon its ability to close a qualifying transaction and raise additional financing which will allow it to fund future operations. There is no assurance that it will manage to obtain financing in the future of settle its liabilities as intended above.

These factors indicate the existence of a material uncertainty regarding the ability of the Company to continue as a going concern.

FINANCIAL INSTRUMENTS

Short-term financial instruments, comprising cash, restricted cash accounts receivable, accounts payable and other liabilities, loans, current portion of royalty obligation, subscription receipts in escrow are carried at amortized cost which, due to their short-term nature, approximates their fair value. Long-term financial instruments consist of the long-term portion of royalty obligation, Canada Emergency Business Account Loan, convertible debt and cash consideration payable are carried at amortized cost and are measured based upon discounted future cash flows using a discount rate, adjusted for the Company's own credit risk, that reflects current market conditions for instruments with similar terms and risks. Contingent share consideration and derivative liability are carried at fair value and are measured using different valuation techniques such as Black-Scholes option pricing model, Monte Carlo simulations as described in notes 4, 14 and 15. The Company does not acquire, hold or issue derivative financial instruments for trading purposes and the Company presently has no established credit facility.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any special purpose entities, nor is it a party to any transactions or arrangements that would be excluded from the statement of financial position.

RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Compensation awarded to key management includes the following:

	December 31, 2020	December 31, 2019
	\$	\$
Michael Wright, CEO	193,625	225,035
Trevor Arseneault, COO	-	158,048
Troy Crandall, CFO	-	79,990
Total compensation to key management	193,625	463,073

Balances owed to key management include the following:

Presented as a due to a director within accounts payable and other liabilities, \$13,876 due to the CEO for reimbursement of expenses and board-related fees incurred during the year ended December 31, 2020.

CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting judgements and estimates are described in note 2 of the consolidated financial statements for the years ended December 31, 2020 and 2019.

CHANGES IN ACCOUNTING POLICIES

The Company's significant accounting policies are described in note 3 the consolidated financial statements for the years ended December 31, 2020 and 2019.

RISKS AND UNCERTAINTIES

Inolife is subject to a number of risks and uncertainties that could significantly affect the Company's financial condition and performance. This list of risk factors may not be exhaustive as the Company operates in a rapidly changing business environment and new risk factors emerge from time to time. The Company cannot predict such risk factors, nor can the Company assess the impact, if any, of such risk factors or uncertainties on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, neither shareholders of the Company nor purchasers of securities of the Company should rely on forward-looking statements as a prediction of actual results. If any of these risks actually occur, the Company's business, results of operations, financial position and cash flows could be adversely affected. In any such case, the market value of the Company's common shares could decline, and investors may lose all or part of their investment.

Market Risk for Securities

There can be no assurance that an active trading market for the shares of the Company will be established and sustained. Upon intention to list, the market price for the shares could be subject to wide fluctuations. Factors such as government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Company's securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Speculative Nature of Investment Risk

An investment in the shares of the Company carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future.

Liquidity and Future Financing Risk

The Company will likely operate at a loss until its business becomes established and the Company may require additional financing in order to fund future operations and expansion plans. The Company's ability

to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional shares from treasury, control may change and shareholders may suffer dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operations.

Conducting the costly and time-consuming research, pre-clinical and clinical testing necessary to obtain regulatory approvals and bringing the needle-free medical technology and products to market will require a commitment of substantial funds in excess of the Company's current capital. The Company's future capital requirements will depend on many factors, including, among others:

- the progress of current and new product development programs;
- the progress, scope and results of pre-clinical and clinical testing;
- the time and cost involved in obtaining regulatory approvals;
- the cost of manufacturing existing products and new products;
- the cost of prosecuting, enforcing and defending against patent infringement claims and other intellectual property rights;
- competing technological and market developments; and
- the Company's ability to establish and maintain collaborative and other arrangements with third parties to assist in potentially bringing our products to market.

Additional financing may not be available on acceptable terms, or at all. Domestic and international capital markets have been experiencing heightened volatility and turmoil, making it more difficult to raise capital through the issuance of equity securities. Furthermore, as a result of the recent volatility in the capital markets, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases cease to provide, funding to borrowers. To the extent the Company can raise additional capital through the sale of equity securities or issue securities in connection with another transaction, the ownership position of existing stockholders could be substantially diluted. If additional funds are raised through the issuance of preferred stock or debt securities, these securities are likely to have rights, preferences and privileges senior to shares and may involve significant fees, interest expense, restrictive covenants and the granting of security interests in the Company's assets. Fluctuating interest rates could also increase the costs of any debt financing. Raising capital through a licensing or other transaction involving the Company's intellectual property, could require the Company to relinquish valuable intellectual property rights and thereby sacrifice long-term value for short-term liquidity.

The Company's failure to successfully address ongoing liquidity requirements would have a substantially negative impact on its business. If the Company is unable to obtain additional capital on acceptable terms when needed, it may need to take actions that adversely affect its business, stock price and ability to achieve cash flow in the future, including possibly surrendering its rights to some technologies or product opportunities, delaying clinical trials or curtailing or ceasing operations.

Going-Concern Risk

The Company's consolidated financial statements have been prepared on a going-concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability. The consolidated financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

Dividend Risk

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain earnings to finance further growth and, where appropriate, retire debt.

Share Price Volatility Risk

The Company is planning to apply to be listed on the TSX Venture Exchange ("TSXV"). In the event of such listing, external factors outside of the Company's control, such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward stocks, may have a significant impact on the market price of the shares. Global stock markets, including the TSXV, have experienced extreme price and volume fluctuations from time to time. There can be no assurance that an active or liquid market will develop or be sustained for the shares.

Increased Costs of Being a Publicly Traded Company

As the Company will have publicly traded securities, significant legal, accounting and filing fees will be incurred that are not presently being incurred. Securities legislation and the rules and policies of the TSXV require publicly listed companies to, among other things, adopt corporate governance policies and related practices and to continuously prepare and disclose material information, all of which will significantly increase legal, financial and securities regulatory compliance costs.

General Business Risks***Conflicts of Interest***

Certain of the Company's directors and officers are, and may continue to be, involved in the medical industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities that the Company is not able to procure due to a conflict of interest of one or more of the Company's directors or officers.

Tax Risk

The Company is subject to various taxes including, but not limited to the following: Canadian income tax; goods and services tax; provincial sales tax; land transfer tax; and payroll tax as well as taxes in jurisdictions in which it operates. The Company's tax filings will be subject to audit by various taxation authorities. While the Company intends to base its tax filings and compliance on the advice of its tax advisors, there can be no assurance that its tax filing positions will never be challenged by a relevant taxation authority resulting in a greater than anticipated tax liability.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at December 31, 2020 is the carrying value of its cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. The contractual cash flows of the Company's undiscounted financial liabilities are described in Note 6 of the consolidated financial statements.

Market risk

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

Risk associated with the development and expansion of business in emerging markets

The Company's business objectives involve the proposed expansion of its target market into emerging markets. Emerging markets have greater political and economic volatility and are far more susceptible to labour disruptions than established markets. This expansion presents challenges related to more volatile economic conditions, competition from companies that are already present in the market, the need to identify correctly and leverage appropriate opportunities for sales and marketing, poor protection of intellectual property, inadequate protection against crime (including counterfeiting, corruption and fraud), inadvertent breaches of local laws or regulations and difficulties in recruiting sufficient personnel with appropriate skills and experience.

The Company's China Operations and other emerging markets are subject to political and other risks associated with operating in a foreign jurisdiction.

The Company will have operations in China and may have operations in additional emerging markets in the future. Changes, if any, in investment policies or shifts in political attitude in the countries in which the Company operates may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of concessions, licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety. The Company will continue to monitor developments and policies in the emerging markets in which it will operate and assess the impact thereof to its operations; however, such developments cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

Inflation in emerging markets, along with governmental measures to combat inflation, may have a significant negative effect on local economies and also on the Company's financial condition and results of operations.

In the past, high levels of inflation have adversely affected emerging economies and financial markets. Moreover, governmental measures to curb inflation and speculation could contribute to the negative economic impact of inflation and could create general economic uncertainty. The emerging markets in which the Company operates or may operate may experience high levels of inflation in the future. Inflationary pressures may weaken investor confidence in such countries and lead to further government intervention in the economy. If countries in which the Company operates experience high levels of inflation in the future and/or price controls are imposed, the Company may not be able to adjust the rates the Company charges its customers to fully offset the impact of inflation on the Company's cost structures, which could adversely affect the Company's results of operations or financial condition.

The Company may be responsible for corruption and anti-bribery law violations.

The Company's business is subject to Canadian laws which generally prohibit companies and employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. In addition, the Company is subject to the anti-corruption and anti-bribery laws of any other countries in which it conducts business now or in the future. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and anti-corruption and anti-bribery laws for which the Company may be held responsible. Although the Company has policies and procedures in place that are designed to promote legal and regulatory compliance, the employees, business partners and consultants of the Company could take actions that violate applicable anti-bribery and anti-corruption laws or regulations. Violations of these laws, or allegations of such violations, could result in loss, reduction or expropriation and/or have a material adverse effect on the Company's business, results of operations or financial condition.

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities. The Company is not exposed to any significant interest rate price risk.

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of their accounts payable balances, debentures, cash consideration payable and loan. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The company is exposed to unrealized foreign exchange risk through its U.S. dollar ("USD"), and Euros cash holdings. At December 31, 2020, a 10% change in the USD foreign exchange rate would result in a change of approximately \$50, and a 10% change in the Euros foreign exchange would result in a change of approximately \$5,000 on the cash balance and a change of \$416,000 on the liabilities.

COVID-19

Refer to note 1 of the consolidated financial statements for the years ended December 31, 2020 and 2019 for COVID-19 information.

SUBSEQUENT EVENTS

During February 2021, two investors decided to release their investments from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 1,875,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.40 per unit for gross proceeds of \$750,000.

On March 31, 2021, an extension has been granted to the Company until June 30, 2021 to satisfy the Escrow Release Conditions in relation to the subscription receipts financing. During the year ended December 31, 2020, the Company completed a Private Placement ("PP") by issuing 15,000,000 Sub-Receipts at a price of \$0.40 per Sub-Receipt for gross proceeds of \$6,000,000. Each Sub-Receipt is automatically convertible into one (1) unit of Inolife without any further action by the holder thereof and for no additional consideration. Each Inolife PP Unit is comprised of one Inolife Share and one-half (1/2) common share purchase warrant. Each whole Inolife PP Warrant is exercisable into one (1) Inolife Share at an exercise price of \$0.70 per share for twelve (12) months following satisfaction of the Escrow Release Conditions on or prior to March 31, 2021, or such other date agreed to by Inolife and the Agent.

OTHER MD&A REQUIREMENTS

Additional information related to the Company is filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Inolife R&D Inc.

Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements of Inolife R&D Inc. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in 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 unaudited condensed interim 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 by the unaudited condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Inolife R&D Inc.**Condensed Consolidated Interim Statements of Financial Position***As at June 30, 2021 and December 31, 2020*

(Unaudited - Expressed in Canadian dollars)

	June 30, 2021 \$	December 31, 2020 \$
ASSETS		
Current		
Cash	124,777	266,349
Cash held in trust	-	10,000
Restricted cash (Note 3)	4,908,459	5,730,740
Accounts receivable	10,167	3,120
Sales tax recoverable	136,267	142,189
Inventory	8,414	9,713
Deferred financing cost (Note 3)	241,244	269,260
Prepaid expenses	22,401	38,984
	5,451,729	6,470,355
Non-Current		
Property and equipment	22,322	27,490
Intangible assets and goodwill (Note 4)	7,290,516	8,063,727
	7,312,838	8,091,217
	12,764,567	14,561,572

Inolife R&D Inc.**Condensed Consolidated Interim Statements of Financial Position***As at June 30, 2021 and December 31, 2020**(Unaudited - Expressed in Canadian dollars)*

	June 30, 2021 \$	December 31, 2020 \$
LIABILITIES AND EQUITY		
Current		
Accounts payable and other liabilities	1,864,862	991,237
Loans (Note 5, 12)	1,070,193	1,122,460
Cash consideration payable (Note 5, 12)	1,413,504	1,398,334
Subscription receipts in escrow	5,150,000	6,000,000
Current portion of royalty obligation (Note 6)	-	239,010
	9,498,559	9,751,041
Non-Current		
Loans (Note 5)	50,325	37,151
Contingent share consideration	339,734	339,924
Derivative liability (Note 7)	669,627	582,666
Convertible debt (Note 7)	4,684,234	4,543,040
	15,242,479	15,253,822
Equity		
Share capital (Note 8)	7,507,050	6,811,322
Reserves (Note 8)	1,102,970	1,008,730
Accumulated other comprehensive income	(159,236)	192,006
Deficit	(10,928,696)	(8,704,308)
	(2,477,912)	(692,250)
	12,764,567	14,561,572

On behalf of the Board of Directors:

*Signed "Michael Wright"*Michael Wright
Director*Signed "Derek Lindsay"*Derek Lindsay
Director

Inolife R&D Inc.**Condensed consolidated Interim Statements of Loss and Comprehensive Loss***For the three and six month period ended June 30, 2021 and 2020**(Unaudited - Expressed in Canadian dollars)*

	2021	2020	2021	2020
	\$	\$	\$	\$
	(3 months)	(3 months)	(6 months)	(6 months)
Sales	63,800	631	81,908	631
Operating expenses				
Sales and marketing	20,951	159,035	59,538	170,448
Salaries and benefits	200,260	108,582	477,929	161,391
General and administrative	150,447	26,335	235,325	44,509
Professional fees	545,563	182,400	875,610	286,166
Depreciation expense	3,130	1,073	6,186	1,284
Amortization – intangible assets (Note 4)	157,068	43,033	314,136	43,033
Loss (gain) on foreign exchange	(15,219)	-	(267,048)	289
	1,062,200	520,458	1,701,676	707,120
Loss before other expenses	998,400	519,827	1,619,768	706,489
Other expenses				
Finance expenses (Note 10)	333,625	56,444	602,070	193,205
Income tax expense	2,550	-	2,550	-
Net loss for the period	(1,334,575)	(576,271)	(2,224,388)	(899,694)
Other comprehensive loss				
Cumulative translation adjustment	20,643	-	351,242	-
Net loss and comprehensive loss for the period	(1,355,218)	(576,271)	(2,575,630)	(899,694)
Loss per share - basic and diluted	(0.007)	(0.003)	(0.013)	(0.006)
Weighted average number of common shares outstanding - basic and diluted	193,206,609	149,147,621	191,319,109	145,797,621

Inolife R&D Inc.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the six month periods ended June 30, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

	Note	Number of Shares	Share Capital \$	Reserves \$	Accumulated other comprehensive income (loss) \$	Deficit \$	Total equity \$
Balance, January 1, 2021		187,306,609	6,811,322	1,008,730	192,006	(8,704,308)	(692,250)
Net loss		-	-	-	-	(2,224,388)	(2,224,388)
Other comprehensive loss		-	-	-	(351,242)	-	(351,242)
Issuance of shares – private placement	8	6,375,000	755,760	94,240	-	-	850,000
Cost of issuance		-	(60,032)	-	-	-	(60,032)
Balance, June 30, 2021		193,681,609	7,507,050	1,102,970	(159,236)	(10,928,696)	(2,477,912)

	Note	Number of Shares	Share Capital \$	Reserves \$	Accumulated other comprehensive income \$	Deficit \$	Total equity \$
Balance, January 1, 2020		141,947,621	3,423,235	1,214,299	-	(5,346,471)	(708,937)
Net comprehensive loss		-	-	-	-	(899,694)	(899,694)
Issuance of shares – private placement	8	4,966,667	484,804	165,196	-	-	650,000
Issuance of shares – business combination	8	20,000,000	1,467,717	-	-	-	1,467,717
Balance, June 30, 2020		166,914,288	5,375,756	1,379,495	-	(6,246,165)	509,086

Inolife R&D Inc.**Condensed Consolidated Interim Statements of Cash Flows***For the six months periods ended June 30, 2021 and 2020**(Unaudited - Expressed in Canadian dollars)*

	2021	2020
	\$	\$
Operating activities		
Net loss for the period	(2,224,388)	(899,694)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation	6,186	1,284
Amortization – Intangible assets (Note 4)	314,136	43,033
Accretion on royalty obligation (Note 6)	10,990	129,580
Accretion on CEBA loan (Note 5)	13,174	-
Accretion and interest expense on convertible debt (Note 7)	390,608	44,714
Accretion expense on cash consideration payable (Note 5)	100,527	20,176
Loss on fair value - contingent share consideration and derivative liability (Note 7)	86,771	-
Loss (gain) on foreign exchange	(267,048)	289
Changes in non-cash working capital		
Accounts receivable	(7,047)	-
Sales taxes recoverable	5,922	(11,045)
Inventory	1,299	(12,495)
Prepaid expenses	16,583	28,525
Accounts payable and other liabilities	873,625	373,527
Royalty obligation	(250,000)	(150,000)
Cash used in operating activities	(928,662)	(432,106)
Investing activities		
Cash acquired on business combination	-	58,253
Cash provided from investing activities	-	58,253
Financing activities		
Proceeds of issuance of capital stock, net of issue costs	789,968	650,000
Proceeds from loans	-	40,000
Cash provided from financing activities	789,968	690,000
Effect of foreign exchange rates on cash	(12,878)	11,484
Change in cash during the period	(151,572)	327,631
Cash, beginning of the period	276,349	1,941
Cash, end of the period	124,777	329,572

Inolife R&D Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(Unaudited – Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Inolife R&D Inc., (“Inolife” or “the Company”) was incorporated under the laws of Ontario on September 5, 2017. The Company’s registered address and principal place of business is located at 1801-1 Yonge Street, Toronto, ON, M5E 1W7.

Inolife R&D Inc. is a medical device manufacturing company specializing in the field of needleless injections and related technologies.

On June 5, 2020, the Company closed the acquisition of all of the issued and outstanding share capital of European Pharma Group B.V. and its wholly owned subsidiaries European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd. (“EPG”).

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations.

The Company incurred a net loss for the six month period ended June 30, 2021 of \$2,224,388 and has accumulated a deficit of \$10,928,696. As the Company is working on developing markets and working to find distribution networks, it will require additional financing to meet its working capital requirements. As the Company is still in its development phase, material conditions exist that may cast significant doubt on the Company’s ability to continue as a going concern. Management actively manages its forecasted cash requirements and has determined that the Company has adequate resources to continue as a going concern through the next twelve months. On December 30, 2020, the Company closed a brokered private placement of \$6,000,000. These funds are held in escrow and will be released upon the listing of the Company on the TSX Venture.

These condensed consolidated interim financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. Despite operations being impacted by the pandemic early on, the Company was still able to raise funds during the year and obtain the Canada Emergency Business Account Loan that provided working capital to allow the Company to continue to work on market development.

Inolife R&D Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(Unaudited – Expressed in Canadian dollars)

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance and compliance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of condensed consolidated interim financial statements, including IAS 34, Interim Financial Reporting. The condensed consolidated interim financial statements do not include all the information and disclosures required in the Company’s annual financial statements and should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2020.

2.2 Basis of presentation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are recorded at fair value. The Company’s reporting and functional currency is Canadian dollars, which is the currency of the primary economic environment in which the Company operates.

2.3 Basis of consolidation

These consolidated financial statements include the accounts of the Company and those of its three subsidiaries European Pharma Group B.V., European Pharma Group Shenzhen Ltd. and European Pharma Group Limited (Hong Kong). The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company's subsidiaries are all 100% owned.

All transactions and balances between companies are eliminated upon consolidation, including unrealized gains and losses on transactions between the companies. All subsidiaries have a reporting date of December 31 with the exception of EPG Hong Kong which has a reporting date of October 31.

2.4 Functional and presentation currency

All figures presented in the consolidated financial statements are reflected in Canadian dollars, which is the functional currency of the parent. The functional and presentation currency of the subsidiaries are described as follows:

	Functional	Presentation
European Pharma Group B.V.	Euro	Canadian dollars
European Pharma Group Shenzhen	Euro	Canadian dollars
European Pharma Group Hong Kong	Euro	Canadian dollars

Foreign currency transactions are translated into Canadian dollars at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the consolidated statement of financial position date are translated to Canadian dollars at the foreign exchange rate applicable at that date. These differences are recognized in other comprehensive income as currency translation differences until the disposal of the net investment.

Inolife R&D Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(Unaudited – Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

2.5 Use of management estimates, judgements and measurement uncertainty

The preparation of these consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of these consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of these consolidated financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these consolidated financial statements are outlined below:

a) The following areas require management's critical estimates:

Calculation of share-based payments

The Company measures the cost of share-based payments, either equity or cash-settled, by reference to the fair value of the equity instrument or underlying equity instrument at the date on which they are granted. Estimating fair value for share-based payments requires management to determine the most appropriate valuation model for a grant, which is dependent on the terms and conditions of each grant. The Black-Scholes option pricing model is used to determine the fair value for the stock options and warrants and utilizes subjective assumptions such as stock price, volatility and expected life of the option or warrant. Details of the assumptions used are included in Note 8.

Collectability of sales taxes

The Company uses its best estimate of sales tax credits to be received from the respective governments in determining whether an allowance needs to be recorded.

Business combination

In determining the fair value of all identifiable assets and liabilities acquired, the most significant estimates relate to the valuation of intangible assets. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent valuation expert or management may develop the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. The evaluations are linked closely to the assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

Inolife R&D Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(Unaudited – Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Convertible debentures with derivative liabilities

In determining the fair value for the convertible debenture conversion feature considered to be a derivative liability, the Company uses the Monte Carlo or Black-Scholes pricing models and makes estimates of the expected volatility of the shares, risk-free interest rate, effective discount rate, share price, and major event expected date and probability (as the conversion feature is dependent on these estimates. The expected volatility is based on volatilities of comparable companies. The risk-free rate assumed in valuing the conversion feature is based on the Canadian treasury yield curve in effect at the time of grant for the expected term of the convertible debentures issued. The discount rate is based on the estimated rate for a debenture without a conversion feature. The major event expected date and probability are based on management's best estimate at the time of valuation based current internal company information and market conditions. Changes to these estimates could result in the fair value of the derivative liability being less than or greater than the amount recorded

Fair value of financial instruments

The individual fair values attributed to the different components of a financing transaction are determined using valuation techniques. The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine (a) the values attributed to each component of a transaction at the time of their issuance; (b) the fair value measurements for certain instruments that require subsequent measurement at fair value on a recurring basis; and (c) for disclosing the fair value of financial instruments subsequently carried at amortized cost. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

b) The following area requires management's critical judgment:

Going concern

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment-based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 1 for further information.

Inolife R&D Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(Unaudited – Expressed in Canadian dollars)

2. BASIS OF PREPARATION (continued)

Intangible assets and goodwill

Significant judgements are made in determining the useful lives and recoverable amounts of the Company's intangible assets and goodwill, and in evaluating whether certain events or circumstances represent objective evidence of impairment. Estimates of the recoverable amounts of the intangible assets and goodwill rely on certain factors such as future cash flows and discount rates. Future cash flows are based on sales projections and costs which are estimated based on forecasted results while discount rates are based on the Corporation's cost of capital. Future outcomes may be materially different than those assumptions used in the impairment assessment and therefore could have a significant effect on the results of the Corporation.

Management uses its judgment to determine whether costs incurred meet the criteria to be recorded as an intangible asset.

Expenditures incurred for preparing and filing for regulatory approval are capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable that a marketing authorization from the International health authorities will be granted. The likelihood of regulatory approval is reviewed and adjusted for, should facts and circumstances change.

Recognition of deferred tax assets and measurement of income tax expense

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on assessment of the Company's ability to use the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. If changes were made to management's assessment regarding the Company's ability to use future tax deductions, the Company could be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

3. RESTRICTED CASH

On December 30, 2020, the Company received \$6,000,000 in subscription receipts to purchase 15,000,000 units of the Company at \$0.40 per unit. The subscription receipts are held in escrow until the approval of the listing of the Company on the TSX Venture. The amount held in escrow is net of the commission paid to the broker of \$269,260. On February 26, 2021, \$725,503 was released from escrow for subscriptions of gross proceeds of \$750,000 less the commission paid to the broker of \$24,720. On May 28, 2021, \$96,778 was released from escrow for subscriptions of gross proceeds of \$100,000 less the commission paid to the broker of \$3,222. Following these releases, the amount held in escrow is \$4,908,459 net of the commission paid to the broker of \$241,244.

Inolife R&D Inc.**Notes to the Condensed Consolidated Interim Financial Statements***For the three and six month periods ended June 30, 2021 and 2020*

(Unaudited – Expressed in Canadian dollars)

4. INTANGIBLE ASSETS AND GOODWILL

Following the acquisition of EPG on June 5, 2020, \$6,282,725 was recognized as intangible assets for the technology and trade name acquired by the business combination.

Cost	Insujet Tradename	Technology	Inojex Technology	Nanojex Technology	Goodwill	Total \$
Balance – January 1, 2020	-	-	163,609	21,323	-	184,932
Acquired on business combination	839,012	5,443,713	-	-	1,755,400	8,038,125
Impairment	-	-	-	(21,323)	-	(21,323)
Balance – December 31, 2020	839,012	5,443,713	163,609	-	1,755,400	8,201,734
Accumulated amortization						
Amortization	48,042	311,708	-	-	-	359,750
Balance – December 31, 2020	48,042	311,708	-	-	-	359,750
Foreign currency translation						
Recorded in other comprehensive income	22,875	148,422	-	-	50,446	221,743
Carrying value, December 31, 2020	813,845	5,280,427	163,609	-	1,805,846	8,063,727

Inolife R&D Inc.**Notes to the Condensed Consolidated Interim Financial Statements***For the three and six month periods ended June 30, 2021 and 2020**(Unaudited – Expressed in Canadian dollars)***4. INTANGIBLE ASSETS AND GOODWILL (continued)**

Cost	Insujet Tradename	Technology	Inojex Technology	Goodwill	Total \$
Balance –					
January 1, 2021	839,012	5,443,713	163,609	1,755,400	8,201,734
Acquisition	-	-	-	-	-
Balance – June 30, 2021	839,012	5,443,713	163,609	1,755,400	8,201,734
Accumulated amortization					
Balance –					
January 1, 2021	48,042	311,708	-	-	359,750
Amortization	41,950	272,186	-	-	314,136
Balance – June 30, 2021	89,992	583,894	-	-	673,886
Foreign currency translation					
Balance –					
January 1, 2021	22,874	148,422	-	50,446	221,743
Recorded in other comprehensive income	(49,074)	(304,828)	-	(105,172)	(459,074)
Balance – June 30, 2021	(26,200)	(156,406)	-	(54,726)	(237,332)
Carrying value, June 30, 2021	722,820	4,703,413	163,609	1,700,674	7,290,516

Amortization was taken for the period of six months ended June 30, 2021 on the EPG intangible assets, based on a useful life of ten (10) years. No amortization was taken on Inojex as it remains under development.

Inolife R&D Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(Unaudited – Expressed in Canadian dollars)

5. LOANS

On December 18, 2020, the Company received a \$225,000 loan from Buzbuz Capital Corp, bearing 10% of interest. The loan shall be repaid in full on the earlier of: (i) closing qualifying transaction between the borrower and the lender; (ii) termination of the qualifying transaction or the definitive business combination agreement dated October 1, 2020 by either the lender or the borrower and (iii) on March 18, 2022.

In conjunction with the acquisition of European Pharma Group B.V., the Company shall pay to Mosadex the amount of EUR 575,000 (CAD \$845,193), bearing 0% interest. This amount shall be paid by the Company within 90 days from the listing of the Company on the TSX Venture Exchange. The change in the carrying balance of the loan during the six month period ended June 30, 2021 is due to the variation of the foreign exchange, as this loan is denominated in Euro. On August 24, 2021, the terms of this loan were renegotiated (Note 12).

As at June 30, 2021, the carrying balance of these two loans totalize \$1,070,193.

During 2020, the Company received a \$60,000 loan from the Canada Emergency Business Account (“CEBA Loan”). The CEBA Loan bears 0% interest until December 31, 2022. If the balance is not paid by December 31, 2022, the remaining balance will be converted to a 3-year term loan at 5% annual interest paid monthly, effective January 1, 2023. The full balance must be repaid by no later than December 31, 2025. No principal payments are required until December 31, 2022. Principal repayments can be voluntarily made at any time without fees or penalties. \$20,000 loan forgiveness is available, provided the outstanding balance is \$60,000 at December 31, 2020, and \$40,000 is paid back between January 1, 2021 and December 31, 2022. The loan was recognized at the fair value based on an estimated market interest rate of 18%. For the six month period ended June 30, 2021, an amount of \$13,174 has been recognized as accretion expense. The fair value of the loan as at June 30, 2021 is \$50,325.

In conjunction with the acquisition of European Pharma Group B.V., the Company shall pay to Mosadex the amount of EUR 1,000,000, bearing 0% interest. The fair value of the cash consideration payable of EUR 1,000,000 was measured by discounting the notional principal using a discount rate of 15% over the 16-month period from the acquisition date. For the six month period ended June 30, 2021, an amount of CAD \$100,527 has been recognized as accretion expense. As at June 30, 2021, the cash consideration payable is CAD \$1,413,504. On August 24, 2021, the terms of this loan were renegotiated (Note 12).

Inolife R&D Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(Unaudited – Expressed in Canadian dollars)

6. ROYALTY OBLIGATION

	June 30, 2021	2020
	\$	\$
Royalty obligation	(10,990)	92,872
Add: Accretion expense	10,990	146,138
Total royalty obligation	-	239,010
Less: current portion	-	(239,010)
Non-current portion	-	-

On March 31, 2017, the Company entered into a royalty payment agreement with TransferTech Sherbrooke (“TTS”) relating to the use and transfer of all rights, titles and interests associated with the Company’s powder injection (Nanoxel) technology. In exchange for the rights and an option to acquire the technology, the Company has agreed to a royalty rate of 5% on sales made from the technology, with minimum royalty payments to be made annually, the present value of which have been recorded as a liability. The term of the agreement is indefinite and the Company retains the option to buy the technology from TTS until March 31, 2026 for an agreed price of \$3,000,000 or an amount representing 10% of the sale of any asset related to the Technology. The minimum royalty payments for 2020 and 2021 are included in accounts payables for a total of \$460,079. As per an agreement between TTS and the Company, the minimum royalty payment for 2020 will be paid according to the following distribution: \$102,740 in cash and \$75,000 in Common Shares at a price of \$0.1333 per Common Share. The minimum royalty payment for March 31, 2021 and all subsequent years can be paid either in cash or common shares at the sole discretion of the Company.

7. CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY

Convertible debt 1

On August 31, 2020, the convertible debt initially issued on September 25, 2017 in the amount of \$284,238 and \$76,628 of accrued interest was fully converted to 7,217,321 common shares at a price of \$0.05. Upon conversion, \$62,005 was transferred from reserves to deficit.

Convertible debt 2

On June 5, 2020, as part of the consideration issued for the acquisition of EPG and its subsidiaries, the Company issued a convertible debenture of 6,235,000 EUR convertible at \$0.95 and carries no interest. The fair value of the debt component was estimated by discounting the principal by a market rate of 16.57% over its 5.5 year term. The fair value of the derivative liability was estimated using the Black-Scholes model, assuming a risk free rate of 0.89%, a duration of 5 years. As at June 30, 2021, the fair value of the derivative liability was reevaluated using the Black-Scholes model, assuming a share price of \$0.12, volatility of 94% and a term of 5 years.

Inolife R&D Inc.**Notes to the Condensed Consolidated Interim Financial Statements***For the three and six month periods ended June 30, 2021 and 2020**(Unaudited – Expressed in Canadian dollars)***7. CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (continued)*****Convertible debt 3***

During the year ended December 31, 2020, the Company completed a bridge financing, by a non-brokered private placement for gross proceeds of \$455,000 by issuing convertible debenture units, each unit being comprised of a \$1,000 unsecured convertible debenture bearing an interest rate of 10% per annum, due on the date that is thirty-six months from the closing date, convertible to acquire one (1) share at a conversion price of \$0.10 per share. The financing included transaction costs of \$12,800 which resulted into net proceeds of \$442,200. As a result of the conversion price of the debentures not being fixed at the time of issuance, the conversion feature is a derivative liability and is revalued at each period end. The value of the derivative liability at the date of issuance and June 30, 2021 was determined using the Monte Carlo method based on annual volatility of 100%, risk-free rate of 0.27%, market price of common share of \$0.07 for initial recognition valuation and annual volatility of 100%, risk-free rate of 0.49%, market price of common share of \$0.12 for June 30, 2021.

The following table summarizes the components of the convertible debt:

	Liability component	Derivative liability	Equity component	Total
Balance, December 31, 2019	269,162	-	62,005	331,167
<u>Convertible debt 1</u>				
Accretion and interest expense	12,671	-	-	12,671
Conversion of debentures to shares	(281,833)	-	(62,005)	(343,838)
<u>Convertible debt 2</u>				
Debentures issued on business combination	3,779,345	406,610	-	4,185,955
Accretion expense	379,861	-	-	379,861
Change in fair value	-	(94,110)	-	(94,110)
Effects of foreign exchange	115,984	-	-	115,984
<u>Convertible debt 3</u>				
Debentures issued on bridge financing	245,350	196,850	-	442,200
Accretion and interest expense	22,500	-	-	22,500
Change in fair value	-	73,316	-	73,316
Balance, December 31, 2020	4,543,040	582,666	-	5,125,706

Inolife R&D Inc.**Notes to the Condensed Consolidated Interim Financial Statements***For the three and six month periods ended June 30, 2021 and 2020**(Unaudited – Expressed in Canadian dollars)***7. CONVERTIBLE DEBENTURES AND DERIVATIVE LIABILITY (continued)**

	Liability component	Derivative liability	Equity component	Total
Balance, December 31, 2020	4,543,040	582,666	-	5,125,706
<u>Convertible debt 2</u>				
Accretion expense	349,243	-	-	349,242
Change in fair value	-	64,351	-	64,351
Effects of foreign exchange	(249,414)	-	-	(249,413)
<u>Convertible debt 3</u>				
Accretion and interest expense	41,365	-	-	41,365
Change in fair value	-	22,610	-	22,610
Balance, June 30, 2021	4,684,234	669,627	-	5,353,861

8. SHAREHOLDER'S EQUITY

The following details the share capital of Inolife R&D Inc.

Authorized: An unlimited number of common shares.

a) Share Capital Authorized

Movements in the company's share capital are as follows:

	Number of Shares	Amount \$
Balance, December 31, 2019	141,947,621	3,423,235
Shares issued for private placements	4,966,667	650,000
Shares issued on debt settlement	10,750,000	774,000
Shares issued on debt conversion	7,217,321	360,866
Shares issued on business combination	20,000,000	1,467,717
Shares issued on warrants exercised	2,425,000	300,700
Warrants issued – private placement	-	(165,196)
Balance, December 31, 2020	187,306,609	6,811,322
Shares issued for private placements	6,375,000	755,760
Cost of issuance	-	(60,032)
Balance, June 30, 2021	193,681,609	7,507,050

During the six month period ended June 30, 2021, the Company issued 6,375,000 units which comprise one common share and ½ warrant at an agreed price of \$0.13 per unit for gross proceeds of \$850,000, less a commission paid to the broker of \$60,032, for a net proceed of \$789,968. The fair value of the shares of \$755,760 was determined by reducing the value attributed to the warrants of \$94,240.

Inolife R&D Inc.**Notes to the Condensed Consolidated Interim Financial Statements***For the three and six month periods ended June 30, 2021 and 2020**(Unaudited – Expressed in Canadian dollars)***8. SHAREHOLDER'S EQUITY (continued)****b) Share Purchase Options**

The Company has a stock option plan (the "Plan") under which the Company may grant options to directors, officers, employees and consultants. The number of shares to be reserved and set aside for issue under this plan is determined from time to time by the Board. All stock options granted in 2019 vest immediately and have a two-year term to expiry from the date of grant. The continuity of outstanding stock options outstanding is as follows:

	Number of stock options	Weighted average exercise price per share \$
Balance – December 31, 2019	4,390,000	0.098
Granted	-	-
Exercised	-	-
Expired/Cancelled	(3,030,000)	0.098
Balance – December 31, 2020	1,360,000	0.098
Granted	-	-
Exercised	-	-
Expired/Cancelled	(610,000)	0.098
Balance – June 30, 2021	750,000	0.17

The following table provides additional information about outstanding stock options at the end of June 30, 2021:

Exercise prices	No. of Options Outstanding	Weighted Average Remaining Life (Years)
\$0.10	500,000	1.1
\$0.30	250,000	0.3
\$0.17	750,000	0.08

Inolife R&D Inc.**Notes to the Condensed Consolidated Interim Financial Statements***For the three and six month periods ended June 30, 2021 and 2020**(Unaudited – Expressed in Canadian dollars)***8. SHAREHOLDER'S EQUITY (continued)****c) Reserves**

The option and warrant reserve accounts have been created to record the offsetting credits of the share-based payment expense relating to the issuance of share options and warrants and convertible debentures.

	June 30, 2021 \$	December 31, 2020 \$
Opening balance	1,008,730	1,214,299
Conversion of debentures	-	(62,005)
Warrant reserve (Note 8d))	94,240	165,196
Warrants exercised (Note 8a))	-	(58,200)
Warrants expired (Note 8a))	-	(250,560)
Total reserve	1,102,970	1,008,730

d) Warrants

During the six months ended June 30, 2021, the Company issued 3,187,500 warrants in connection with a private placement offering a ½ warrant exercisable at \$0.23 over a one-year period for each unit purchased. These warrants were recorded in warrant reserve at the value attributed to them at the time of the issue of the private placement being \$94,240.

The continuity of outstanding share warrants is as follows:

	Number of warrants	Weighted average exercise price per share \$
Balance – December 31, 2019	31,523,810	0.11
Granted	4,616,667	0.24
Exercised	(2,425,000)	-
Expired/Cancelled	(10,440,000)	-
Balance – December 31, 2020	23,275,477	0.13
Granted	3,187,500	0.23
Exercised	-	-
Expired/Cancelled	-	-
Balance – June 30, 2021	26,462,977	0.16

Inolife R&D Inc.**Notes to the Condensed Consolidated Interim Financial Statements***For the three and six month periods ended June 30, 2021 and 2020**(Unaudited – Expressed in Canadian dollars)***8. SHAREHOLDER'S EQUITY (continued)**

The warrants granted during the period were valued using a Black-Scholes model, assuming share price of \$0.12, risk free interest rate of 0.29%, volatility of 82%.

The following table provides additional information about outstanding share warrants at the end of June 30, 2021:

Exercise prices	No. of Warrants Outstanding	Weighted Average Remaining Life (Years)
\$0.10	14,173,810	0.4
\$0.23	3,187,500	0.8
\$0.20	7,085,000	1.1
\$0.30	2,016,667	1.4
\$0.16	26,462,977	0.7

9. RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Compensation awarded to key management includes the following:

	June 30, 2021 \$	June 30, 2020 \$
Balances:		
Short-term employee benefits	187,656	97,500
Consulting fees	40,500	
Share-based payments - options	-	-
Total compensation to key management	228,156	97,500

During the six months ended June 30, 2021, key management personnel earned total compensation in the amount of \$228,156 compared to \$97,500 during the six month period ended June 30, 2020.

Balances owed to key management include the following:

Included with Accounts payable and other liabilities is \$11,158 due to key management for reimbursement of expenses and board-related fees incurred during the year ended December 31, 2020 (\$7,818) and the six months ended June 30, 2021 (\$3,340).

Inolife R&D Inc.**Notes to the Condensed Consolidated Interim Financial Statements***For the three and six month periods ended June 30, 2021 and 2020**(Unaudited – Expressed in Canadian dollars)***10. FINANCE EXPENSES**

	Six months ended June 30, 2021 \$	Six months ended June 30, 2020 \$
Accretion expenses – CEBA loan (Note 5)	13,174	-
Accretion and interest expense on convertible debt (Note 7)	390,608	44,714
Accretion expenses - cash component (Note 5, 12)	100,527	20,176
Accretion expense - royalty obligation (Note 6)	10,990	128,315
Loss on change in fair value on derivative liability and contingent share consideration	86,771	-
Total financial expenses	602,070	193,205

11. SEGMENT REPORTING

The Canadian-based company has one operating segment and one reportable segment, being the manufacturing of needless injector devices. Geographic segment information of the Company's non-current assets and revenues as at June 30, 2021 and 2020 and December 31, 2020 are as follows:

	June 30, 2021 \$	December 31, 2020 \$
Non-current assets		
Canada	165,346	165,644
Netherlands	7,131,118	7,904,290
China	16,374	21,283
Total	7,312,838	8,091,217

	June 30, 2021 \$	June 30, 2020 \$
Revenues		
Europe	62,509	631
Asia	19,399	-
Others	-	-
Total	81,908	631

Inolife R&D Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six month periods ended June 30, 2021 and 2020

(Unaudited – Expressed in Canadian dollars)

12. SUBSEQUENT EVENTS

On August 17, 2021, four investors decided to release their investments from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 1,560,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.13 per unit for gross proceeds of \$208,000.

On August 24, 2021, an amendment of the share purchase agreement in conjunction with the acquisition of European Pharma Group B.V. was signed between Mosadex and the Company to reduce the loan of EUR 575,000 to EUR 275,000 and to postpone the repayment within 28 months from the listing of the Company on the TSX Venture Exchange. Also, both parties agreed to increase the amount of the cash consideration payable of EUR 1,000,000 to EUR 1,200,000 but to postpone the repayment by the Company to 28 months after the listing of the Company on the TSX Venture Exchange.

On August 26, 2021, the Company signed an amended and restated loan agreement with BuzBuz Capital Corp (see Note 5), obtaining a further \$25,000 for an aggregate loan principal balance of \$250,000, bearing interest at 10% maturing March 18, 2022.

On August 27, 2021, the Company signed two loan agreements of \$50,000 each, for a total of \$100,000, bearing interest at 20%, maturing on February 27, 2023. A minimum of 6 months of interest shall be paid in advance, and in the event the Company repays the principal amount of these loans prior to August 27, 2022, the loan shall bear an additional interest of 5%.

On September 17, 2021, an investor decided to release their investment from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 2,250,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.13 per unit for gross proceeds of \$300,000.



Management's Discussion and Analysis

For the three and six month periods ended June 30, 2021 and 2020

This Management's Discussion and Analysis ("MD&A") of condensed consolidated interim financial statements results is dated September 22, 2021 and reviews the business of Inolife R&D Inc. (the "Company" or "Inolife"), for the three and six month period ended June 30, 2021, and should be read in conjunction with the accompanying audited annual financial statements and related notes for the years ended on December 31, 2020 and 2019.

Forward looking information

Some statements contained in this MD&A constitute forward-looking statements including, without limitation, anticipated developments in the Company's operations in future periods and other events or conditions that may occur in the future. These statements relate to future events or the Company's future performance and are inherently uncertain and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those mentioned herein under heading "RISKS AND UNCERTAINTIES". Management believes that the expectations reflected in those statements are reasonable, but no assurance can be given that these expectations will prove to be correct. It is recommended not to place undue reliance on forward looking statements as the plans, intentions or expectations upon which they are based might not occur.

Although management believes that the expectations represented by such forward-looking statements are reasonable, there is significant risk that the forward-looking statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Forward-looking statements in this MD&A include, but are not limited to:

1. Statements concerning the Company's primary business activities and,
2. The Company's intention to seek and acquire products and assets to create shareholder value.

The Company does not undertake to update any forward-looking information provided in this MD&A, except as, and to the extent required by, applicable securities laws. For more information on the Company and its business, investors should review the Company's other regulatory filings filed with securities commissions or similar authorities in Canada that are available on SEDAR at www.sedar.com. The Company reviews its forward-looking statements on an ongoing basis and updates this information when circumstances require it.

DESCRIPTION OF THE COMPANY

Inolife was incorporated under the laws of Ontario on September 5, 2017. The Company's registered address and principal place of business is located at 1801-1 Yonge Street, Toronto, ON, M5E 1W7.

Inolife R&D Inc. is a medical device manufacturing company specializing in the field of needleless injectors and related technologies.

On June 5, 2020, the Company closed the acquisition of all of the issued and outstanding share capital of European Pharma Group B.V. and its subsidiaries European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd. (collectively "EPG"). The consideration of the purchase price consist of; (i) issuance of 20,000,000 common shares for a fair value of 1,467,717; (ii) a convertible debenture of EUR 6,235,000; (iii) EUR 3,000,000 worth of shares, to be issued within 10 business days following the listing of the Company on the TSX Venture, at a pre-agreed price of EUR 0.30. In the event that in the 24 months

as from the listing the price of the shares does not reach EUR 0.30 per share, an additional number of shares will be issued based on the average price of the 6 previous months to ensure that the total value received is EUR 3,000,000 (iv) EUR 1,000,000 in cash to be paid within 16 months of the acquisition's closing date, subject to performance milestones. The acquisition was made to enhance the Company's position in the business of medical devices by combining operations and expecting synergies, which is the reason why the Company recognized a goodwill in the purchase price allocation.

On August 24, 2021, an amendment was signed between both parties to modify the terms of this cash consideration (see "Subsequent events" section).

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations.

The Company incurred a net loss for the six month period ended June 30, 2021 of \$2,224,388 and has accumulated a deficit of \$10,928,696. As the Company is working on developing markets and working to find distribution networks, it will require additional financing to meet its working capital requirements. As the Company is still in its development phase, material conditions exist that may cast significant doubt on the Company's ability to continue as a going concern. Management actively manages its forecasted cash requirements and has determined that the Company has adequate resources to continue as a going concern through the next twelve months. On December 30, 2020, the Company closed a brokered private placement of \$6,000,000. From this amount of \$6,000,000, \$1,358,000 was released between February 2021 and September 2021 from eight investors who converted their sub receipt in 10,185,000 units at an agreed price of \$0.13 per unit. \$4,642,000 of these funds are still held in escrow and will be released upon the listing of the Company on the TSX Venture.

These condensed consolidated interim financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

DESCRIPTION OF THE BUSINESS

Inolife is an emerging specialty medical device company focused on developing and commercializing novel drug delivery technologies. Inolife's principal business is the research, development and commercialization of innovative needle-free injection devices and systems for the administration of subcutaneous medication.

It is developing products using its novel needle-free delivery technology in several important fields including, but not limited to, anaphylaxis, diabetes, severe migraine, erectile dysfunction, chronic anaemia, neutropenia, autoimmune rheumatoid arthritis, growth and fertility hormone, psoriasis as well as DNA and conventional/pediatric vaccines.

Inolife is focusing its development efforts in needle free devices in two areas: (i) liquid jet delivery through the InsuJet™ platform; (ii) and ballistics-based intradermal powder drug injection through the Nanojex platform.

Inolife's InsuJet™ technology platform is based on jet-stream administration of liquid drugs. The operating principle of jet-stream injection technology is to press liquid through a small orifice of a special nozzle such that the injector device creates a fine, high speed jet that can penetrate the skin.

Inolife manufactures and commercializes needle-free injection systems that have received regulatory approvals to be sold in over 40 countries globally. The Corporation is currently manufacturing and has begun soft-selling the InsuJet™ system with an immediate focus on servicing the diabetic community as well as developing the next generation products using its novel needle-free delivery platform. This technology platform is compatible in several important fields and not limited to diabetes. The Corporation intends to explore applications for chronic pain, growth and fertility hormone, migraine, erectile dysfunction, autoimmune, anesthesia, as well as mRNA, DNA and conventional vaccines.

Inolife and its subsidiaries, suppliers, manufacturers or other service providers have obtained all relevant licenses, regulatory approvals, permits or other authorizations from relevant governmental authorities in order to carry on the business as currently conducted and that such licenses, permits and regulatory approvals that have been obtained are in good standing. The licenses include the CE certification obtained from GMED, granted April 21, 2021, which is valid until May 26, 2024. All the suppliers maintain relevant certifications needed to conduct their business, and critical suppliers are covered by the annual audit scope of GMED.

During the six month period ended June 30, 2021, the Company conducted these research and development activities:

Insujet

- Development of the V6 InsuJet injector. This is a further re-design of the V5 injector, where the focus is on the improvement of the general ergonomics and esthetics of the device.
- Development of the V8 injector and sterile accessories. This is a major innovation, where the technology is changed so that it allows for the storage of a drug container inside the injector, similar to an insulin pen. This will offer significant advantages in terms of overall usability, as the drug aspiration step is simplified.

No research and development activities were conducted on *Inojex* and *Nanojex* during the six-month period ended June 30, 2021.

As at June 30, 2021, the cumulative research and development expenses are:

- Inojex : \$163,609
- Nanojex : \$260,882
- Insujet : \$2,311,085 (€1,572,274)

Project	Description of the project	Company's plan	Status	Expenditures made	How the expenditures relate to the anticipated timing and costs to take the project to the next stage of the plan	Whether or not the Company plans to expend additional funds on the project	Any factors that have affected the value of the project	Notes
Insujet	Needle-free liquid jet injector, spring powered. There is a first-generation product in the market which is undergoing incremental improvements (V5, V6), and there are future generation models based on break through innovations (V7, V8)	- Transfer the V5 injector to production - Start development of V6 injector - Continue development of future generation injectors with focus on connectivity-IOT (V7) and innovative features (drug storage inside device, V8)	- By mid-2020 the V5 injector was approved to go to market - V6 injector: concept development - V7 in engineering & prototype stage - V8 in early concept stage, with some key features in engineering/prototype stage	Not material	- V5: Expenses for testing, trial production runs, needed for device approval - V6: The R&D expenses resulted in new & improved design concept for the injector - V7: The R&D expenses resulted in improved performance of the prototype by improving hardware design, making the technology more viable. - V8: The R&D expenses resulted in an innovative patentable solution for drug aspiration, greatly enhancing the usability	- V5: NA, currently in market - V6: in year 1, conditional to cash flow from operations - V7: in year 2, conditional to cash flow from operations - V8: in year 3, conditional to cash flow from operations	None	-

Project	Description of the project	Company's plan	Status	Expenditures made	How the expenditures relate to the anticipated timing and costs to take the project to the next stage of the plan	Whether or not the Company plans to expend additional funds on the project	Any factors that have affected the value of the project	Notes
Inojex	Liquid jet needle-free technology	Prepare the device to be manufacturing compliant	The device is in pre-commercialization development phase	None	No R&D activities have been done on this technology during 2021	There is no development plan to move into full manufacturing for commercialization within the next 12 months	None	-
Nanojex	Ballistics-based intradermal powder drug injection device, aimed at painless delivery of medicine intradermally using a gas jet to accelerate nanoparticles powdered drug or protein at supersonic speed with a single-use, disposable, handheld device	Inolife intends to continue its research at the proof-of-concept stage. Although it is the ultimate goal to eventually commercialize Nanojex, Inolife has no present plans relating to manufacturing of this device.	The device is in pre-commercialization development phase	None	No R&D activities have been done on this technology during 2021	There is no development plan to move into full manufacturing for commercialization within the next 12 months	None	-

BASIS OF PRESENTATION

These condensed consolidated interim financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments and assets that are measured at fair value, as explained in the accounting policies described herein.

RESULTS OF OPERATIONS

The Company has generated \$81,908 of revenues for the six month period ended June 30, 2021 and \$631 in 2020.

For the six month period ended June 30, 2021 and 2020,

1. Sales and marketing expenses were \$59,538 in 2021 vs. \$170,448 in 2020, a decrease of \$110,910 attributable to one-time marketing fee that occurred during 2020. The sales and marketing expenses incurred during the six month period ended June 30, 2021 consisted of \$37,500 of investor relations services as well as \$22,038 of travel expenses due to the travel of the COO between both Netherlands and Shenzhen facilities to attend meetings with suppliers and partners.
2. Salaries and benefits expenses were \$477,929 in 2021 vs. \$161,391 in 2020, an increase of \$316,538 attributable to the acquisition of EPG which happened during the end of the second quarter of 2020, who has employees in addition to the parent company. Even if the Company do not generate significant revenues, 12 employees works in R&D, testing and packaging at the Shenzhen facility, and 3 employees in the Netherlands facility for administrative purpose, engineering designer and COO.
3. General and administrative expenses were \$235,325 in 2021 vs. \$44,509 in 2020, an increase of \$190,816, attributable to the acquisition of EPG which happened during the end of the second quarter of 2020. The general and administrative expenses consist of rent (Netherlands \$30,420, China \$69,802), insurance (\$24,829), office and IT expenses (\$61,092), filing and AGM fees (\$19,482) and interest & bank charges (\$29,700).
4. Professional fees were \$875,610 in 2021 vs. \$286,166 in 2020, an increase of \$589,444 attributable to higher legal, accounting and consulting fees in 2021. These professional fees consisted of audit & review fees from MNP LLP as well as legal fees related to the listing of the Company on the TSXV.
5. Depreciation charges were \$320,322 in 2021 vs. \$44,317 in 2020, attributable to the intangible assets and fixed assets purchased by the acquisition of EPG which happened during the end of the second quarter of 2020.
6. Gain on foreign exchange was \$267,048 in 2021 vs. loss of \$289 in 2020 attributable to the transactions between the subsidiaries, as well as many liability components related to the acquisition which are denominated in Euros. Between December 31, 2020 and June 30, 2021, the foreign exchange rate of EUR/CAD decreased from 1.56 to 1.46
7. Net finance expenses were \$602,070 in 2021 vs. \$193,205 in 2020, due to the convertible debts and other liabilities related to the acquisition.
8. A net loss and comprehensive loss of \$2,575,630 in 2021 vs. \$899,694 in 2020 was incurred.

BALANCE SHEET HIGHLIGHTS

For the six month period ended June 30, 2021 and year ended December 31, 2020,

1. Cash and cash equivalents were \$124,777 in 2021 vs. \$276,349 in 2020. The Company also has restricted cash in 2021 of \$4,908,459 related to the funds held in escrow in conjunction to the 6M\$ subscription receipts in escrow closed on December 30, 2020.
2. Current assets were \$5,451,729 in 2021 vs. \$6,470,355 in 2020, with the difference attributable to accounts payables paid during the quarter.
3. Total assets were \$12,764,567 in 2021 vs. \$14,561,572 in 2020, with the difference attributable to amortization and the effect of foreign exchange on intangible assets and goodwill.
4. Current liabilities were \$9,498,559 in 2021 vs. \$9,751,041 in 2020, with the difference primarily attributable to diminution of the subscription receipts in escrow.
5. Non-current liabilities were \$5,743,920 in 2021 and \$5,502,781 in 2020, with the difference primarily attributable to the accretion on derivative liability and convertible debt.
6. Share capital was \$7,507,050 in 2021 vs \$6,811,322 in 2020, an increase of \$695,728 due to subscription receipts in escrow released and completed directly with the Company.
7. Reserves were \$1,102,970 in 2021 and \$1,008,730 in 2020, the increase attributable to the warrants issued in connection with the issuance of shares.
8. Deficit was \$(10,928,696) in 2021 and \$(8,704,308) in 2020, with the increase attributable to the net loss during the first six months of 2021.

ISSUED AND OUTSTANDING SHARE DATA

	June 30, 2021		December 31, 2020	
	Number	Amount	Number	Amount
		\$		\$
Balance, beginning of year	187,306,609	6,811,322	141,947,621	3,423,235
Issuance of shares – Private placement	6,375,000	755,760	4,966,667	650,000
Cost of issuance	-	(60,032)	-	-
Warrants issued – Private placement	-	-	-	(165,196)
Issuance of shares – Debt settlement	-	-	10,750,000	774,000
Issuance of shares – Debt conversion	-	-	7,217,321	360,866
Issuance of shares – Acquisition of assets	-	-	20,000,000	1,467,717

Issuance of shares – Warrants exercised	-	-	2,425,000	300,700
Balance, end of year	193,681,609	7,507,050	187,306,609	6,811,322

The Company has 197,491,609 outstanding common shares as at September 22, 2021.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2021, the Company had \$5,451,729 in current assets, comprised of cash and cash held in trust, restricted cash, accounts receivables, sales taxes and income tax recoverable, deferred financing cost and prepaid expenses.

At June 30, 2021, the Company had a negative working capital of \$(4,046,533) comprised of cash (\$124,777), receivables (\$10,167), sales tax receivables (\$136,267), inventory (\$8,414) and prepaid expenses (\$22,401) which was more than offset by accounts payable and other liabilities (\$1,864,862), loans (\$1,070,193) and cash consideration payable (\$1,413,504).

The Company incurred a net loss and comprehensive loss for the six month period ended June 30, 2021 of \$2,224,388 and had an accumulated a deficit of \$10,928,696.

As the Company is developing markets and working to find distribution networks, it will require additional financing to meet its working capital requirements. As the Company is still in its start-up phase, material conditions exist that may cast significant doubt on the Company's ability to continue as a going concern. Management actively manages its forecasted cash requirements and has determined that the Company has adequate resources to continue as a going concern through the next twelve months. On December 30, 2020, the Company closed a brokered private placement of \$6,000,000. \$4,642,000 of these funds are still held in escrow until the satisfaction of Escrow conditions.

The Company estimate theses funds of \$4,642,000, less the \$241,244 commission payable to the agent, to be available to the Company at the end of the third quarter of 2021. Following the released of these funds, the Company will have the capacity to pay its short-term liabilities and will have enough resources to cover its operating expenses, capital expenditures and product development for at least the next twelve months.

	Total	Non-cash transactions	Less than a year	1-3 years
	\$	\$	\$	\$
Contractual obligation				
Accounts payable and other liabilities	1,864,862	325,000	1,539,862	-
Loans	1,070,193	-	225,000	845,193 ⁽¹⁾
Canada Emergency Business Account Loan	50,325	10,325	-	40,000
Cash consideration payable	1,413,504	-	-	1,413,504 ⁽¹⁾
Contingent share consideration	339,734	339,734	-	-
Derivative liability	669,627	669,627	-	-
Convertible debt	4,684,234	4,684,234	-	-
Total, contractual obligations	10,092,479	6,028,920	1,764,862	2,298,697

⁽¹⁾ The table is based on the amendment payment terms as noted in the subsequent events section.

As showed in this table, the Company will have, from the funds actually held in escrow, at least 1.275M\$ to cover its further operating expenses. The amounts the Company will require over the short and long term to fund operations and to meet its planned growth and development activities are:

	Short term (\$)	Long term (\$)	Total (\$)
Operating expenses	830,000	520,000	1,350,000
Planned growth	160,000	255,000	415,000
Development activities	15,000	135,000	150,000
TOTAL:	1,005,000	910,000	1,915,000

The Company's ability to continue as a going concern is dependent upon its ability to close a qualifying transaction and raise additional financing which will allow it to fund future operations. There is no assurance that it will manage to obtain financing in the future of settle its liabilities as intended above.

These factors indicate the existence of a material uncertainty regarding the ability of the Company to continue as a going concern.

FINANCIAL INSTRUMENTS

Short-term financial instruments, comprising cash, restricted cash accounts receivable, accounts payable and other liabilities, loans, current portion of royalty obligation, subscription receipts in escrow are carried at amortized cost which, due to their short-term nature, approximates their fair value. Long-term financial instruments consist of the long-term portion of royalty obligation, Canada Emergency Business Account Loan, convertible debt and cash consideration payable are carried at amortized cost and are measured based upon discounted future cash flows using a discount rate, adjusted for the Company's own credit risk, that reflects current market conditions for instruments with similar terms and risks. Contingent share consideration and derivative liability are carried at fair value and are measured using different valuation techniques such as Black-Scholes option pricing model, Monte Carlo simulations as described in note 7. The Company does not acquire, hold or issue derivative financial instruments for trading purposes and the Company presently has no established credit facility.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any special purpose entities, nor is it a party to any transactions or arrangements that would be excluded from the statement of financial position.

RELATED PARTY TRANSACTIONS

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Compensation awarded to key management includes the following:

	June 30, 2021	June 30, 2020
	\$	\$
Michael Wright, CEO	97,500	97,500
Nicky Canton, COO	90,156	-
Veronique Laberge, CFO	40,500	-
Total compensation to key management	228,156	97,500

During period of six months ended June 30, 2021 and 2020, key management earned total compensation in the amount of \$187,656 in salary and \$40,500 in consulting fees.

Balances owed to key management include the following:

Included with Accounts payable and other liabilities is \$11,158 due to the CEO for reimbursement of expenses and board-related fees incurred during the year ended December 31, 2020 (\$7,818) and the period of six months ended June 30, 2021 (\$3,340).

CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting judgements and estimates are described in note 2 of the condensed consolidated interim financial statements for the six month period ended June 30, 2021 and 2020.

RISKS AND UNCERTAINTIES

Inolife is subject to a number of risks and uncertainties that could significantly affect the Company's financial condition and performance. This list of risk factors may not be exhaustive as the Company operates in a rapidly changing business environment and new risk factors emerge from time to time. The Company cannot predict such risk factors, nor can the Company assess the impact, if any, of such risk factors or uncertainties on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, neither shareholders of the Company nor purchasers of securities of the Company should rely on forward-looking statements as a prediction of actual results. If any of these risks actually occur, the Company's business, results of operations, financial position and cash flows could be adversely affected. In any such case, the market value of the Company's common shares could decline, and investors may lose all or part of their investment.

Market Risk for Securities

There can be no assurance that an active trading market for the shares of the Company will be established and sustained. Upon intention to list, the market price for the shares could be subject to wide fluctuations. Factors such as government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the Company's securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Speculative Nature of Investment Risk

An investment in the shares of the Company carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future.

Liquidity and Future Financing Risk

The Company will likely operate at a loss until its business becomes established and the Company may require additional financing in order to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional shares from treasury, control may change and shareholders may suffer dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operations.

Conducting the costly and time-consuming research, pre-clinical and clinical testing necessary to obtain regulatory approvals and bringing the needle-free medical technology and products to market will require a commitment of substantial funds in excess of the Company's current capital. The Company's future capital requirements will depend on many factors, including, among others:

- the progress of current and new product development programs;
- the progress, scope and results of pre-clinical and clinical testing;
- the time and cost involved in obtaining regulatory approvals;
- the cost of manufacturing existing products and new products;
- the cost of prosecuting, enforcing and defending against patent infringement claims and other intellectual property rights;
- competing technological and market developments; and
- the Company's ability to establish and maintain collaborative and other arrangements with third parties to assist in potentially bringing our products to market.

Additional financing may not be available on acceptable terms, or at all. Domestic and international capital markets have been experiencing heightened volatility and turmoil, making it more difficult to raise capital through the issuance of equity securities. Furthermore, as a result of the recent volatility in the capital markets, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases cease to provide, funding to borrowers. To the extent the Company can raise additional capital through the sale of equity securities or issue securities in connection with another transaction, the ownership position of existing stockholders could be substantially diluted. If additional funds are raised through the issuance of preferred stock or debt securities, these securities are likely to have rights, preferences and privileges senior to shares and may involve significant fees, interest expense, restrictive covenants and the granting of security interests in the Company's assets. Fluctuating interest rates could also increase the costs of any debt financing. Raising capital through a licensing or other transaction involving the Company's intellectual property, could require the Company to relinquish valuable intellectual property rights and thereby sacrifice long-term value for short-term liquidity.

The Company's failure to successfully address ongoing liquidity requirements would have a substantially negative impact on its business. If the Company is unable to obtain additional capital on acceptable terms when needed, it may need to take actions that adversely affect its business, stock price and ability to achieve cash flow in the future, including possibly surrendering its rights to some technologies or product opportunities, delaying clinical trials or curtailing or ceasing operations.

Going-Concern Risk

The Company's condensed consolidated interim financial statements have been prepared on a going-concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability. The condensed consolidated interim financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

Dividend Risk

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain earnings to finance further growth and, where appropriate, retire debt.

Share Price Volatility Risk

The Company is planning to apply to be listed on the TSX Venture Exchange (“TSXV”). In the event of such listing, external factors outside of the Company's control, such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward stocks, may have a significant impact on the market price of the shares. Global stock markets, including the TSXV, have experienced extreme price and volume fluctuations from time to time. There can be no assurance that an active or liquid market will develop or be sustained for the shares.

Increased Costs of Being a Publicly Traded Company

As the Company will have publicly traded securities, significant legal, accounting and filing fees will be incurred that are not presently being incurred. Securities legislation and the rules and policies of the TSXV require publicly listed companies to, among other things, adopt corporate governance policies and related practices and to continuously prepare and disclose material information, all of which will significantly increase legal, financial and securities regulatory compliance costs.

General Business Risks

Conflicts of Interest

Certain of the Company's directors and officers are, and may continue to be, involved in the medical industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities that the Company is not able to procure due to a conflict of interest of one or more of the Company's directors or officers.

Tax Risk

The Company is subject to various taxes including, but not limited to the following: Canadian income tax; goods and services tax; provincial sales tax; land transfer tax; and payroll tax as well as taxes in jurisdictions in which it operates. The Company's tax filings will be subject to audit by various taxation authorities. While the Company intends to base its tax filings and compliance on the advice of its tax advisors, there can be no assurance that its tax filing positions will never be challenged by a relevant taxation authority resulting in a greater than anticipated tax liability.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at June 30, 2021 is the carrying value of its cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities.

Market risk

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

Risk associated with the development and expansion of business in emerging markets

The Company's business objectives involve the proposed expansion of its target market into emerging markets. Emerging markets have greater political and economic volatility and are far more susceptible to labour disruptions than established markets. This expansion presents challenges related to more volatile economic conditions, competition from companies that are already present in the market, the need to identify correctly and leverage appropriate opportunities for sales and marketing, poor protection of intellectual property, inadequate protection against crime (including counterfeiting, corruption and fraud), inadvertent breaches of local laws or regulations and difficulties in recruiting sufficient personnel with appropriate skills and experience.

The Company's China Operations and other emerging markets are subject to political and other risks associated with operating in a foreign jurisdiction.

The Company will have operations in China and may have operations in additional emerging markets in the future. Changes, if any, in investment policies or shifts in political attitude in the countries in which the Company operates may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of concessions, licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety. The Company will continue to monitor developments and policies in the emerging markets in which it will operate and assess the impact thereof to its operations;

however, such developments cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

Inflation in emerging markets, along with governmental measures to combat inflation, may have a significant negative effect on local economies and also on the Company's financial condition and results of operations.

In the past, high levels of inflation have adversely affected emerging economies and financial markets. Moreover, governmental measures to curb inflation and speculation could contribute to the negative economic impact of inflation and could create general economic uncertainty. The emerging markets in which the Company operates or may operate may experience high levels of inflation in the future. Inflationary pressures may weaken investor confidence in such countries and lead to further government intervention in the economy. If countries in which the Company operates experience high levels of inflation in the future and/or price controls are imposed, the Company may not be able to adjust the rates the Company charges its customers to fully offset the impact of inflation on the Company's cost structures, which could adversely affect the Company's results of operations or financial condition.

The Company may be responsible for corruption and anti-bribery law violations.

The Company's business is subject to Canadian laws which generally prohibit companies and employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. In addition, the Company is subject to the anti-corruption and anti-bribery laws of any other countries in which it conducts business now or in the future. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and anti-corruption and anti-bribery laws for which the Company may be held responsible. Although the Company has policies and procedures in place that are designed to promote legal and regulatory compliance, the employees, business partners and consultants of the Company could take actions that violate applicable anti-bribery and anti-corruption laws or regulations. Violations of these laws, or allegations of such violations, could result in loss, reduction or expropriation and/or have a material adverse effect on the Company's business, results of operations or financial condition.

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities. The Company is not exposed to any significant interest rate price risk.

COVID-19

Refer to note 1 of the condensed consolidated interim financial statements for the six month period ended June 30, 2021 and 2020 for COVID-19 information.

SUBSEQUENT EVENTS

On August 17, 2021, four investors decided to release their investments from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 1,560,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.13 per unit for gross proceeds of \$208,000.

On August 24, 2021, an amendment of the share purchase agreement in conjunction with the acquisition of European Pharma Group B.V. was signed between Mosadex and the Company to reduce the loan of EUR 575,000 to EUR 275,000 and to postpone the repayment within 28 months from the listing of the Company on the TSX Venture Exchange. Also, both parties agreed to increase the amount of the cash consideration payable of EUR 1,000,000 to EUR 1,200,000 but to postpone the repayment by the Company to 28 months after the listing of the Company on the TSX Venture Exchange.

On August 26, 2021, the Company signed an amended and restated loan agreement with BuzBuz Capital Corp (see Note 5 in June 30, 2021 financial statements), obtaining a further \$25,000 for an aggregate loan principal balance of \$250,000, bearing interest at 10% maturing March 18, 2022.

On August 27, 2021, the Company signed two loan agreements of \$50,000 each, for a total of \$100,000, bearing interest at 20%, maturing on February 27, 2023. A minimum of 6 months of interest shall be paid in advance, and in the event the Company repays the principal amount of these loans prior to August 27, 2022, the loan shall bear an additional interest of 5%.

On September 17, 2021, an investor decided to release their investment from the escrow conditions in connection with the subscription receipts and proceed to a direct subscription agreement with the Company. Thereby, 2,250,000 units were issued which comprise one common share and one warrant at an agreed price of \$0.13 per unit for gross proceeds of \$300,000.

OTHER MD&A REQUIREMENTS

Additional information related to the Company is filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

APPENDIX "D"

FINANCIAL STATEMENTS AND MD&A OF EUROPEAN PHARMA GROUP B.V.

Find attached the audited financial statements and MD&A of European Pharma Group B.V. for the year ended December 31, 2019 and period from January 1, 2020 to June 4, 2020.

European Pharma Group B.V.

Consolidated Financial Statements

June 4, 2020 and December 31, 2019

(expressed in Euros)

FRANCO LA POSTA, CPA

Independent Auditors' Report

To the Shareholder of European Pharma Group B.V.:

Opinion

I have audited the consolidated financial statements of European Pharma Group B.V. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at June 4, 2020 and December 31, 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the periods then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at June 4, 2020 and December 31, 2019, and its consolidated financial performance and its consolidated cash flows for the periods then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

I conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. I am independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 1 in the consolidated financial statements, which indicates that during the period ended June 4, 2020 and December 31, 2019, the Company incurred respectively a profit of € 10,687,37 and net loss of € (992,919) and has accumulated a surplus of € 463,211 at June 4, 2020. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that I identify during my audits.

Signed: "Franco La Posta"
Franco La Posta

Montreal, Quebec
August 19, 2021

¹ CPA Auditor, CA, public accountancy permit No. A106908

European Pharma Group B.V.
Consolidated Statements of Financial Position
As at June 4, 2020 and December 31, 2019
(Expressed in Euros)

	June 4, 2020 (5 months) €	December 31, 2019 (12 months) €
ASSETS		
Current		
Cash	38,436	78,657
Accounts receivable	6,640	9,368
Sales tax recoverable	3,374	5,261
Inventory	8,245	190,824
Prepaid expenses	41,761	88,981
	98,456	373,091
Non-Current		
Property and equipment (Note 8)	17,494	25,702
Intangible assets (Note 7)	1,019,429	1,049,506
	1,036,923	1,075,208
	1,135,379	1,448,299
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	79,167	286,711
Amount due to a parent Company, no interest (Note 9)	575,000	11,367,753
	654,167	11,654,464
Equity		
Share capital (Note 10)	18,001	18,001
Deficit	463,211	(10,224,166)
	481,212	(10,206,165)
	1,135,379	1,448,299

Nature of operations and going concern (Note 1)
Subsequent events (Note 14)

On behalf of the Board of Directors:

Signed “Michael Wright”

Director

The accompanying notes are an integral part of these consolidated financial statements.

European Pharma Group B.V.**Consolidated Statements of Loss and Comprehensive Loss***For the period of 5 months ended June 4, 2020 and year ended December 31, 2019**(Expressed in Euros)*

	June 4, 2020 (5 months) €	December 31, 2019 (12 months) €
Sales	57,319	205,895
Operating expenses		
Sales and marketing	10,952	60,130
Salaries, benefits and management fees	350,272	809,522
General and administrative	17,000	178,949
Professional fees	1,822	18,773
Depreciation expense (Note 8)	840	5,696
Amortization – intangible assets (Note 9)	43,345	121,902
	424,231	1,194,972
Loss before other expenses	(366,912)	(989,077)
Other expenses (income)		
Gain on debt settlement	(11,057,142)	-
Income tax expense	2,853	3,842
Net profit (loss) and comprehensive loss	10,687,377	(992,919)
Profit (loss) per share - basic and diluted	0.001	(0.018)
Weighted average number of common shares outstanding	18,000	18,000

The accompanying notes are an integral part of these consolidated financial statements.

European Pharma Group B.V.

Consolidated Statements of Changes in Shareholders' Equity

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019

(Expressed in Euros)

	Note	Number of Shares	Share Capital €	Deficit €	Total equity €
Balance, January 1, 2020		18,000	18,001	(10,224,166)	(10,206,165)
Net comprehensive loss		-	-	10,687,377	10,687,377
Balance, June 4, 2020		18,000	18,001	463,211	481,212

	Note	Number of Shares	Share Capital €	Deficit €	Total equity €
Balance, January 1, 2019		18,000	18,001	(9,231,247)	(9,213,246)
Net comprehensive loss		-	-	(992,919)	(992,919)
Balance, December 31, 2019		18,000	18,001	(10,224,166)	(10,206,165)

The accompanying notes are an integral part of these consolidated financial statements.

European Pharma Group B.V.
Consolidated Statements of Cash Flows

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

	June 4, 2020 (5 months) €	December 31, 2019 (12 months) €
Operating activities		
Net profit (loss) for the period	10,687,377	(992,919)
Adjustments to reconcile net loss to cash used in operating activities:		
Income tax expense	2,853	3,842
Depreciation (Note 8)	840	5,696
Amortization – Intangible assets (Note 9)	43,345	121,902
Changes in non-cash working capital		
Accounts receivable	2,728	68,026
Sales taxes recoverable	1,887	357
Inventory	182,579	(42,962)
Prepaid expenses	51,733	118,654
Accounts payable and other liabilities	(207,544)	508,094
Amount due to a parent Company	(10,792,753)	436,584
Cash used in operating activities	(26,955)	227,274
Investing activities		
Acquisition of intangible assets	(13,266)	(162,692)
Cash provided from investing activities	(13,266)	(162,692)
Change in cash during the period	(40,221)	64,582
Cash, beginning of the period	78,657	14,075
Cash, end of the period	38,436	78,657

The accompanying notes are an integral part of these consolidated financial statements.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

1. NATURE OF OPERATIONS AND GOING CONCERN

European Pharma Group B.V., (“EPG BV” or “the Company”) was incorporated under the laws of Netherlands on April 16, 2010. The Company’s registered address and principal place of business is located at Beechavenue 127 in Schiphol-Rijk.

EPG BV is a medical device manufacturing company specializing in the field of needleless injections and related technologies. EPG BV is the parent company of 2 wholly owned subsidiaries, European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd.

The Company's ability to continue as a going concern is dependent upon its financing by a parent company. On June 5, 2020 EPG BV was acquired by Inolife R&D Inc., a Canadian based Company in the same field of operations as EPG. Since acquisition, Inolife has been financing the Company to assure its continuity.

The Company had a profit for the period of 5 months ended December 31, 2020 of €10,687,377 and has accumulated a surplus of €463,211. As the Company is working on developing markets and working to find distribution networks, it will require additional financing to meet its working capital requirements.

These consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. For the Company, even if the pandemic did slow down their operations, they were still able to continue to work on developing market.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

2. BASIS OF PREPARATION

2.1 Statement of compliance

The 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 IFRS Interpretations Committee (“IFRIC”).

These financial statements were approved and authorized by the Board of Directors of the Company on May 13, 2021.

2.2 Basis of presentation

The financial statements have been prepared on the historical cost basis. The Company’s reporting and functional currency is Canadian dollars, which is the currency of the primary economic environment in which the Company operates.

2.3 Basis of consolidation

These consolidated financial statements include the accounts of the Company and those of its three subsidiaries European Pharma Group B.V., European Pharma Group Shenzhen Ltd. and European Pharma Group Limited (Hong Kong). The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company's subsidiaries are all 100% owned by the parent company.

All transactions and balances between companies are eliminated upon consolidation, including unrealized gains and losses on transactions between the companies. All subsidiaries have a reporting date of December 31 with the exception of EPG Hong Kong which has a reporting date of October 31.

2.4 Functional and presentation currency

All figures presented in the consolidated financial statements are reflected in Canadian dollars, which is the functional currency of the parent. The functional and presentation currency of the subsidiaries are described as follows:

	Functional	Presentation
European Pharma Group B.V.	Euro	Euro
European Pharma Group Shenzhen	Renmibi (Yuan)	Euro
European Pharma Group Hong Kong	Euro	Euro

Foreign currency transactions are translated into Euro at exchange rates in effect on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the consolidated statement of financial position date are translated to Euro at the foreign exchange rate applicable at that date. These differences are recognized in other comprehensive income as currency translation differences until the disposal of the net investment.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

2. BASIS OF PREPARATION (continued)

2.5 Use of management estimates, judgements and measurement uncertainty

The preparation of these consolidated financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of these consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of these consolidated financial statements. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these consolidated financial statements are outlined below:

a) The following areas require management's critical estimates:

Collectability of sales taxes

The Company uses its best estimate of sales tax credits to be received from the respective governments in determining whether an allowance needs to be recorded.

Fair value of financial instruments

The individual fair values attributed to the different components of a financing transaction are determined using valuation techniques. The Company uses judgment to select the methods used to make certain assumptions and in performing the fair value calculations in order to determine (a) the values attributed to each component of a transaction at the time of their issuance; (b) the fair value measurements for certain instruments that require subsequent measurement at fair value on a recurring basis; and (c) for disclosing the fair value of financial instruments subsequently carried at amortized cost. These valuation estimates could be significantly different because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market.

b) The following area requires management's critical judgment:

Going concern

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the upcoming year requires significant judgment-based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 1 for further information.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

2. BASIS OF PREPARATION (continued)

Intangible assets

Significant judgements are made in determining the useful lives and recoverable amounts of the Company's intangible assets, and in evaluating whether certain events or circumstances represent objective evidence of impairment. Estimates of the recoverable amounts of the intangible assets and goodwill rely on certain factors such as future cash flows and discount rates. Future cash flows are based on sales projections and costs which are estimated based on forecasted results while discount rates are based on the Corporation's cost of capital. Future outcomes may be materially different than those assumptions used in the impairment assessment and therefore could have a significant effect on the results of the Corporation.

Management uses its judgment to determine whether costs incurred meet the criteria to be recorded as an intangible asset.

Expenditures incurred for preparing and filing for regulatory approval are capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable that a marketing authorization from the International health authorities will be granted. The likelihood of regulatory approval is reviewed and adjusted for, should facts and circumstances change.

Recognition of deferred tax assets and measurement of income tax expense

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on assessment of the Company's ability to use the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. If changes were made to management's assessment regarding the Company's ability to use future tax deductions, the Company could be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

3.1 Cash

The Company's cash is deposited with major China and Netherlands bank.

3.2 Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation and any impairment in value. Depreciation is charged to income based on the cost. When significant parts of property and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation, respectively.

Depreciation of property and equipment is provided over the remaining useful lives of the assets using the declining balance method as follows:

- Equipment – 20%

The asset's residual values, depreciation method and useful lives are reviewed annually and adjusted if appropriate. Gains and losses on disposal of property and equipment are recorded in the statement of loss and comprehensive loss in the year of disposal.

3.3 Intangible Assets

Development expenditures are capitalized as a part of intangible assets only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditures incurred for preparing and filing a product submission are also capitalized when the criteria for recognizing an asset are met, usually when approval is considered highly probable, i.e. that approval of a marketing authorization from the International health authorities will be granted.

Separately acquired patents and licenses are recorded at cost less accumulated amortization and any accumulated impairment charges. These assets have finite useful lives. These costs will be amortized on a straight-line basis over the term of their respective patents and licenses, and their useful life as follows:

- Research and development costs – 10 years

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Impairment of non-financial assets

The Company assesses, at each reporting period, whether there is an indication that an asset may be impaired. An impairment is recognized when the carrying amount of an asset, or its cash generating unit (“CGU”), exceeds its recoverable amount. The recoverable amount is the greater of the asset’s fair value or CGU’s fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, an appropriate valuation model is used.

Intangible assets with indefinite lives and goodwill are tested annually; property and equipment, as well as intangible assets with a defined useful life are tested for impairment whenever there is an indication that the carrying amount of the asset or the CGU to which an asset has been allocated exceeds its recoverable amount. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the recoverable amount of the asset. A previously recognized impairment loss on a depreciable asset is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognized. The reversal of impairment losses is limited to the amount that would bring the carrying value of the asset to the amount that would have been recorded, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of loss and comprehensive loss in the same line item where the original impairment was recognized.

Intangible assets not yet available for use are reviewed for impairment at least annually or more frequently if circumstances such as significant declines in expected sales, earnings or cash flows indicate that it is more likely than not that the asset might be impaired.

3.5 Financial Instruments

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (“FVTOCI”) and fair value through profit or loss (“FVTPL”).

Below is a summary showing the classification and measurement bases of our financial instruments:

Classification

IFRS 9

Assets

Cash	Amortized Cost
Accounts receivable	Amortized Cost

Liabilities

Accounts payable and other liabilities	Amortized Cost
Amount due to a parent Company	Amortized Cost

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts and breaches of borrowing contracts such as default events or breaches of borrowing covenants. For financial assets assessed as credit-impaired at the reporting date, the Company continues to recognize a loss allowance equal to lifetime expected credit losses.

For financial assets measured at amortized cost, loss allowances for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of the financial asset. Given the limited exposure of the Company to credit risk, no loss allowance has been recognized as management believes any such impairment will not have a significant impact on the financial statements.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

3.6 Taxation

Income tax (expense) recovery represents the sum of tax currently payable or recoverable and deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

Deferred tax

Income tax expense consisting of current and deferred tax expense is recognized in profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities and the related deferred income tax expense or recovery are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.7 Revenue recognition

Revenue is recognized by the Company in accordance with IFRS 15, Revenue from Contracts with Customers ("IFRS 15"). Through application of the standard, the Company recognizes revenue to depict the transfer of control of promised goods or services to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company records revenue when it has transferred the risks and rewards of ownership of the goods to the purchaser, when it has no continuing managerial involvement over the goods, when it is probable the Company will receive the consideration, and when it can reliably measure the amount of revenue and costs associated with the transaction.

In order to recognize revenue under IFRS 15, the Company applies the following five (5) steps:

- Identify a customer along with a corresponding contract;
- Identify the performance obligation(s) in the contract to transfer goods or provide distinct services to a customer;
- Determine the transaction price the Company expects to be entitled to in exchange for services to a customer;
- Allocate the transaction price to the performance obligation(s) in the contract; and
- Recognize revenue when or as the Company satisfies the performance obligation(s).

Revenue is recognized upon the satisfaction of the performance obligation. For product sales the Company satisfied its performance obligation and transfers control upon delivery and acceptance by the customer and in some circumstances, at that time of shipment from the Company's supplier to the customer. Under IFRS 15, revenues from the sale product are generally recognized at a point of time when control of the goods have been transferred to the customer. Payment is typically due upon transferring the goods to the customer or within a specified time period permitted under the Company's credit policy.

3.8 Leases

Effective January 1, 2019, the Company has adopted IFRS 16 Leases ("IFRS 16"). IFRS 16 replaces IAS 17 Leases and establishes a new model for lessee accounting that requires a lessee to recognize lease liabilities and corresponding right-of-use assets, reflecting the future commitments and rights created by lease contracts. The introduction of IFRS 16 primarily affects the accounting for leases that were previously accounted for as operating leases. IFRS 16 replaces the straight-line operating lease expenses with a depreciation charge for right-of-use assets and interest expense on lease liabilities. In addition, operating lease cash flows that were previously presented as operating cash flows are reported as financing cash flows under IFRS 16.

At the date of adoption, the Company applied IFRS 16 using the modified retrospective approach under which the right-of-use asset is measured at an amount equal to the lease liability, adjusted for any prepayments or accruals.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Segmented information

The operating segments are presented in accordance with the same criteria used for the internal report prepared for the chief operating decision-maker who is responsible for allocating the resources and assessing the performance of the operating segments. The chief operating decision-maker is identified as the chief financial officer, who assesses the performance of the segments based on revenues, gross profit and profit or loss.

New accounting pronouncements

In October 2018, the IASB issued “Definition of a Business (Amendments to IFRS 3)”. The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment provides an assessment framework to determine when a series of integrated activities is not a business. The amendments are effective for business combinations occurring on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The Company has evaluated the potential impact of these amendments and concluded that there is no impact to the Company’s consolidated financial statements.

4. TRANSITION TO IFRS

Application to IFRS 1

The Company’s financial statements for the periods ended June 4, 2020 and December 31, 2019 are the first annuals financial statements to be prepared in accordance with International Financial Reporting Standards (IFRSs). These financial statements were prepared as described in notes 2 and 3. The Company applied IFRS 1 in preparing these financial statements.

The date of IFRS adoption by the Company is January 1, 2019 and the end of the reporting period for these financial statements is December 31, 2019 and June 4, 2020. However, the Company’s date of transition to IFRSs is January 1, 2018, i.e. the date of the earliest comparative period.

In preparing its first IFRS financial statements in accordance with IFRS 1, the Company elected to use some of the exemptions related to retrospective application of certain IFRSs, while taking into account exceptions to retrospective application of other IFRSs.

Exemptions from full retrospective application elected by the Company

(i) Cumulative translation differences

The Company elected to reset the amount of cumulative translation differences to zero at the date of transition. The impact of this election was reported in the opening balance of retained earnings.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

4. TRANSITION TO IFRS (continued)

Mandatory exceptions under IFRSs

Exceptions under IFRS 1 in effect on the transition date from previous GAAP to IFRSs are as follows:

Estimates

Hindsight should not be used to make or change estimates. The estimates already made by the Company under previous accounting principles generally accepted in the Netherlands (Dutch Accounting Standards) were not changed to take IFRSs into account, except where it was necessary to reflect a difference in accounting policy.

Reconciliation between IFRSs and previous Dutch Accounting Standards

The following tables present a quantification of the impact of the transition to IFRSs, based on the following reconciliations:

- Reconciliation of equity as at January 1, 2019 and December 31, 2019 and June 4, 2020.
- Reconciliation of the statement of financial position as at January 1, 2019.
- Reconciliation of profit or loss and comprehensive income for the periods ended June 4, 2020 and December 31, 2019.

It should be noted that the transition to IFRSs has had no material impact on the Company's statement of cash flows.

Reconciliation of equity as at January 1, 2019 and December 31, 2019 and June 4, 2020

There is no difference in equity in accordance with IFRSs and previous Dutch Accounting Standards. No reevaluation and no reclassification were made for the previous financial statements.

Reconciliation of the statement of financial position as at January 1, 2019

There is no difference in the statement of financial position in accordance with IFRSs and previous Dutch Accounting Standards. No reclassification were needed as the financial instruments were already presented in accordance with IFRSs in the previous financial statements.

Reconciliation of profit or loss and comprehensive income for the periods ended December 31, 2019 and June 4, 2020

There is no difference in the profit or loss and comprehensive income in accordance with IFRSs and previous Dutch Accounting Standards. No reclassification were needed as the expenses were already presented in accordance with IFRSs in the previous financial statements.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

5. CAPITAL MANAGEMENT

The Company manages its common shares and accumulated deficit as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk, as there are no external restrictions on it.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets in order to adjust the amount of cash on its balance sheet.

In order to facilitate the management of its capital requirements, the Company may prepare expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

6. FAIR VALUE

Fair value of financial instruments

Financial instruments that are measured at fair value use inputs which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

- Level 1 ("L1") includes quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 ("L2") includes inputs that are observable other than quoted prices included within L1.
- Level 3 ("L3") includes inputs that are not based on observable market data (supported by little or no market activity).

As at June 4, 2020, both the carrying and fair value amounts of the Company's cash, accounts receivable, accounts payable and other liabilities, and amount due to a parent Company are approximately equivalent due to their short-term nature.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, cash held in trust, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at June 4, 2020 is the carrying value of cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. All amounts in accounts payable and other liabilities of €79,167, and Amount due to a parent Company are due within one year or on demand.

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

6. FAIR VALUE (continued)

Market risk

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

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is not exposed to any significant interest rate price risk.

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of their accounts payable balances, debentures, cash consideration payable and loan. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The company is exposed to unrealized foreign exchange risk through its Renminbi (Yuan) cash holdings. At June 4, 2020, a 10% change in the RMB foreign exchange rate would result in an unrealized gain of approximately € 2,000 on the cash balance and a loss of € 450 on the liabilities.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to significant other price risk.

European Pharma Group B.V.
Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
 (Expressed in Euros)

7. INTANGIBLE ASSETS

During the periods ended June 4, 2020 and December 31, 2019, respectively €13,266 and €162,692 of engineering and process costs associated with the development of the Insujet technology and manufacturing were capitalized.

	Insujet Technology
Cost	€
Balance – January 1, 2019	1,391,861
Addition – Research and development costs	162,692
Disposal	(34,477)
Balance – December 31, 2019	1,520,076
Accumulated amortization	
Balance – January 1, 2019	383,145
Amortization	121,902
Disposal	(34,477)
Balance – December 31, 2019	470,570
Carrying value, December 31, 2019	1,049,506

	Insujet Technology
Cost	€
Balance – January 1, 2020	1,520,076
Addition – Research and development costs	13,268
Balance – June 4, 2020	1,533,344
Accumulated amortization	
Balance – January 1, 2020	470,570
Amortization	43,345
Balance – June 4, 2020	513,915
Carrying value, June 4, 2020	1,019,429

An annual impairment test was performed due to the fact the assets are not yet in use and the carrying amounts were compared with the assets' recoverable amounts. The recoverable amount was estimated to be higher than the carrying amount of the asset and no impairment was required.

European Pharma Group B.V.
Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

8. PROPERTY AND EQUIPMENT

Cost	Equipment €
Balance – January 1, 2019	61,612
Additions	-
Balance – December 31, 2019	61,612
Accumulated depreciation	
Balance – January 1, 2019	30,214
Depreciation	5,696
Balance – December 31, 2019	35,910
Carrying value, December 31, 2019	25,702
Balance – January 1, 2020	61,612
Disposal	(13,162)
Balance – June 4, 2020	48,450
Accumulated depreciation	
Balance – January 1, 2020	35,910
Depreciation	840
Disposal	(5,794)
Balance – June 4, 2020	30,956
Carrying value, June 4, 2020	17,494

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

9. AMOUNT DUE TO A PARENT COMPANY

As at December 31, 2019, the Company owed its parent Company €11,367,753, bearing a 2% interest, payable on demand. In conjunction with the acquisition of the Company by Inolife R&D inc., it was settled that the actual amount owed to the parent Company was reduced to €575,000, bearing no interest. This amount shall be paid by the Company within 90 days from the listing of Inolife R&D inc. on the TSX Venture Exchange.

10. SHAREHOLDER'S EQUITY

The following details the share capital of the Company

Authorized: An unlimited number of common shares.

a) Share Capital Authorized

Movements in the company's share capital are as follows:

	Number of Shares	Amount €
Balance, December 31, 2018	18,000	18,001
	-	-
Balance, December 31, 2019	18,000	18,001
Balance, December 31, 2019	18,000	18,001
	-	-
Balance, June 4, 2020	18,000	18,001

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

11. INCOME TAXES

Income tax recovery differs from the amount that would be computed by applying the Netherlands statutory income tax rate of 25% to income before taxes. The reasons for the differences are as follows:

	5 months ended June 5, 2020 €	12 months ended December 31, 2019 €
Gain (loss) before taxes	10,687,377	(992,919)
Statutory tax rate	25%	25%
Expected income recovery	2,671,844	(248,230)
Items not taxable for income tax purposes and other	(11,057,142)	-
Unrecognized deductible temporary differences	(2,671,844)	248,230
Income tax payable (recovery)	-	-

The Company's deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	5 months ended June 5, 2020 €	12 months ended December 31, 2019 €
Property and equipment	973	1,217
Intangibles	262,376	265,684
Unrecognized deductible temporary differences	263,349	266,901

The company's unrecognized non-capital tax losses have the following expiry dates:

2021	1,243,029
2022	967,676
2023	830,510
2024	1,213,413
2025	830,510
2026	1,532,852
2027	1,603,261
2028	1,118,061
Total	9,895,296

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019
(Expressed in Euros)

12. FINANCIAL INSTRUMENTS

The Company does not acquire, hold or issue derivative financial instruments for trading purposes. The following table presents the classification, measurement subsequent to initial recognition, carrying values and fair values (where applicable) of financial assets and liabilities.

Classification	Measurement	Carrying Value June 5 2020	Fair Value June 5 2020	Carrying Value 31-Dec 2019	Fair Value 31-Dec 2019
Financial Assets					
Cash	Amortized cost	38,436	38,436	78,657	78,657
Accounts receivable	Amortized cost	6,640	6,640	9,368	9,368
		45,076	45,076	88,025	88,025
Financial Liabilities					
Accounts payable	Amortized cost	79,167	791,167	286,711	286,711
Amount due to a parent company	Amortized cost	575,000	575,000	11,367,753	11,367,753
		654,167	654,167	11,654,464	11,654,464

Short-term financial instruments, comprising cash, accounts receivable, accounts payable, and amount due to a parent company are carried at amortized cost which, due to their short-term nature, approximates their fair value.

13. SEGMENT REPORTING

The Netherlands-based company has one operating segment and one reportable segment, being the manufacturing of needless injector devices. Geographic segment information of the Company's non-current assets and revenues as at June 4, 2020 and December 31, 2019 are as follows:

	June 4, 2020 €	December 31, 2019 €
Non-current assets		
Netherlands	1,022,988	1,059,129
China	13,935	16,079
Total	1,036,923	1,075,208

	December 31, 2020 €	December 31, 2019 €
Revenues		
Netherlands	57,319	205,895
China	-	-
Total	57,319	205,895

European Pharma Group B.V.

Notes to the Consolidated Financial Statements

For the period of 5 months ended June 4, 2020 and year ended December 31, 2019

(Expressed in Euros)

14. SUBSEQUENT EVENTS

On June 5, 2020, the Company was acquired by Inolife R&D Inc, a Canadian-based Company operating in the same field of operations being manufacturing of needless injector devices.



Management's Discussion and Analysis

For the five month period ended June 4, 2020 and year ended December 31, 2019

This Management's Discussion and Analysis ("MD&A") of consolidated financial results is dated June 14, 2021 and reviews the business of European Pharma Group B.V. (the "Company" or "EPG"), for the five month period ended June 4, 2020 and the year ended December 31, 2019, and should be read in conjunction with the accompanying audited consolidated financial statements and related notes for the period ended June 4, 2020 and December 31, 2019.

Forward looking information

Some statements contained in this MD&A constitute forward-looking statements including, without limitation, anticipated developments in the Company's operations in future periods and other events or conditions that may occur in the future. These statements relate to future events or the Company's future performance and are inherently uncertain and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those mentioned herein under heading "RISKS AND UNCERTAINTIES". Management believes that the expectations reflected in those statements are reasonable, but no assurance can be given that these expectations will prove to be correct. It is recommended not to place undue reliance on forward looking statements as the plans, intentions or expectations upon which they are based might not occur.

Although management believes that the expectations represented by such forward-looking statements are reasonable, there is significant risk that the forward-looking statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate.

Forward-looking statements in this MD&A include, but are not limited to:

1. Statements concerning the Company's primary business activities and,
2. The Company's intention to seek and acquire products and assets to create shareholder value.

The Company does not undertake to update any forward-looking information provided in this MD&A, except as, and to the extent required by, applicable securities laws. The Company reviews its forward-looking statements on an ongoing basis and updates this information when circumstances require it.

DESCRIPTION OF THE COMPANY

European Pharma Group B.V. was incorporated under the laws of Netherlands on April 16, 2010. The Company's registered address and principal place of business is located at Beechavenue 127 in Schiphol-Rij.

EPG BV is a medical device manufacturing company specializing in the field of needleless injections and related technologies. EPG BV is the parent company of 2 wholly owned subsidiaries, European Pharma Group Shenzhen Ltd. and European Pharma Group Hong Kong Ltd.

The Company's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom, and to continue to obtain equity investment and borrowings sufficient to meet current and future obligations.

The Company's ability to continue as a going concern is dependent upon its financing by a parent company. On June 5, 2020 EPG BV was acquired by Inolife R&D Inc., a Canadian based Company in the

same field of operations as EPG. Since acquisition, Inolife has been financing the Company to assure its continuity.

The Company had a profit for the period of 5 months ended December 31, 2020 of €10,687,377 and has accumulated a surplus of €463,211. As the Company is working on developing markets and working to find distribution networks, it will require additional financing to meet its working capital requirements.

These consolidated financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

DESCRIPTION OF THE BUSINESS

EPG is an emerging specialty medical device company focused on developing and commercializing novel drug delivery technologies. EPG's principal business is the research, development and commercialization of innovative needle-free injection devices and systems for the administration of subcutaneous medication.

It is developing products using its novel needle-free delivery technology in several important fields including, but not limited to, anaphylaxis, diabetes, severe migraine, erectile dysfunction, chronic anaemia, neutropenia, autoimmune rheumatoid arthritis, growth and fertility hormone, psoriasis as well as DNA and conventional/pediatric vaccines.

EPG is focusing its development efforts in needle free devices in liquid jet delivery through the InsuJet™ platform.

EPG's InsuJet™ technology platform is based on jet-stream administration of liquid drugs. The operating principle of jet-stream injection technology is to press liquid through a small orifice of a special nozzle such that the injector device creates a fine, high speed jet that can penetrate the skin.

EPG manufactures and commercializes needle-free injection systems that have received regulatory approvals to be sold in over 40 countries globally. The Corporation is currently manufacturing and has begun soft-selling the InsuJet™ system with an immediate focus on servicing the diabetic community as well as developing the next generation products using its novel needle-free delivery platform. This technology platform is compatible in several important fields and not limited to diabetes. The Corporation intends to explore applications for chronic pain, growth and fertility hormone, migraine, erectile dysfunction, autoimmune, anesthesia, as well as mRNA, DNA and conventional vaccines.

EPG and its subsidiaries, suppliers, manufacturers or other service providers have obtained all relevant licenses, regulatory approvals, permits or other authorizations from relevant governmental authorities in order to carry on the business as currently conducted and that such licenses, permits and regulatory approvals that have been obtained are in good standing. The licenses include the CE certification obtained from GMED, granted April 21, 2021, which is valid until May 26, 2024. All the suppliers maintain relevant certifications needed to conduct their business, and critical suppliers are covered by the annual audit scope of GMED.

During the five month period ended June 4, 2020 and the year ended December 31, 2019, the Company conducted these research and development activities:

2019

- Development of the V5 InsuJet injector. This is an incremental improvement of the existing injector, but with several changes to improve usability, and manufacturability. The resulting design is more lightweight, and offers a larger dose window making it more suitable for people with reduced eyesight.
- Development of the V7 injector, which incorporates electronics for the accurate measurement of the dose, as well as blue-tooth technology to communicate the dose history with third party apps.

2020

- Development of the V6 InsuJet injector. This is a further re-design of the V5 injector, where the focus is on the improvement of the general ergonomics and esthetics of the device.
- Development of the V8 injector and sterile accessories. This is a major innovation, where the technology is changed so that it allows for the storage of a drug container inside the injector, similar to an insulin pen. This will offer significant advantages in terms of overall usability, as the drug aspiration step is simplified.

As at June 4, 2020, the cumulative research and development costs for the Insujet technology is €1,533,343.

Project	Description of the project	Company's plan	Status	Expenditures made	How the expenditures relate to the anticipated timing and costs to take the project to the next stage of the plan	Whether or not the Company plans to expend additional funds on the project	Any factors that have affected the value of the project	Notes
Insujet	Needle-free liquid jet injector, spring powered. There is a first-generation product in the market which is undergoing incremental improvements (V5, V6), and there are future generation models based on break through innovations (V7)	- Complete development of V5 injector - Continue development of future generation injectors with focus on connectivity (IOT)	- InsuJet V3.7 in market - V5 in late-stage development (production transfer stage, testing) - V7 in engineering & prototype stage	€162,692	- V5: The tooling expenses were required to get the projected to the production stage. - V7: The R&D expenses resulted in a working prototype of the injector to demonstrate the technology	- V5: NA, currently in market - V6: in year 1, conditional to cash flow from operations - V7: in year 2, conditional to cash flow from operations - V8: in year 3, conditional to cash flow from operations	None	-

BASIS OF PRESENTATION

These consolidated financial statements have been prepared on the going concern basis, under the historical cost convention, except for certain financial instruments and assets that are measured at fair value, as explained in the accounting policies described herein.

RESULTS OF OPERATIONS

The Company has generated €57,319 of revenues for the five month period ended June 4, 2020 and €205,895 for the year ended December 31, 2019. Decreased sales in FY2020 were related to the global COVID-19 pandemic as it led to reduced sales as a result of lockdowns in most countries and reduced training and marketing with current and potential customers by country distributors.

For the five month period ended June 4, 2020 and the year ended December 31, 2019,

1. Sales and marketing expenses were €10,952 in 2020 vs. €60,130 in 2019, a decrease explained as a result of reduced promotional activities in 2020 as the pandemic begowned during this period. The sales and marketing expenses incurred consisted travel expenses due to the travel of the COO between both Netherlands and Shenzhen facilities to attend meetings with suppliers and partners.
2. Salaries and benefits expenses were €350,272 in 2020 vs. €809,522 in 2019, an increase of attributable to addition of employees at the Shenzhen facility during the end of the year 2019. Even if the Company do not generate significant revenues, 11 employees works in R&D, testing and packaging at the Shenzhen facility, and 3 employees in the Netherlands facility for administrative purpose, engineering designer and COO.
3. General and administrative expenses were €17,000 in 2020 vs. €178,949 in 2019, a decrease attributable to less rent and office fees starting at the end of 2019.
4. Professional fees were €1,822 in 2020 vs. €18,773 in 2019, a decrease attributable to the absence of audit and legal fees in 2020.
5. Depreciation charges were €44,185 in 2020 vs. €127,598 in 2019, not representing a significant variation during both comparative periods.
6. Gain on debt settlement was €11,057,142 in 2020 and €nil in 2019. This gain on debt settlement represent the amount owed to the parent company of EPG, which was agreed to be to write-off following the acquisition of EPG by Inolife R&D.
7. Tax expense was €2,853 in 2020 and €3,842 in 2019. Tax expense is due to the tax payable by EPG Shenzhen.
8. A net profit (loss) and comprehensive loss of €10,687,377 in 2020 vs. €(992,919) in 2019 was incurred.

BALANCE SHEET HIGHLIGHTS

For the five month period ended June 4, 2020 and December 31, 2019,

1. Cash was €38,436 in 2020 vs. €78,657 in 2019.
2. Current assets were €98,456 in 2020 vs. €373,091 in 2019, the difference attributable to the decrease of the inventory as a large portion was samples that were held in inventory and were used as testing and marketing expenses.
3. Total assets were €1,135,379 in 2020 vs. €1,448,299 in 2019, with the difference attributable to the decrease of the inventory.
4. Current liabilities were €654,167 in 2020 vs. €11,654,464 in 2019, with the difference primarily attributable to the debt settlement with the parent company in conjunction with the acquisition of EPG by Inolife R&D.
5. Share capital was €18,001 in 2020 and 2019.
6. Retained earning (deficit) was €463,211 in 2020 and €(10,224,166) in 2019, with the difference attributable to the debt settlement with the parent company in conjunction with the acquisition of EPG by Inolife R&D.

ISSUED AND OUTSTANDING SHARE DATA

	June 4, 2020		December 31, 2019	
	Number	Amount	Number	Amount
		€		€
Balance, beginning of the period	18,000	18,001	18,000	18,001
Balance, end of the period	18,000	18,001	18,000	18,001

The Company has 18,000 outstanding common shares as at June 14, 2021.

LIQUIDITY AND CAPITAL RESOURCES

At June 4, 2020, the Company had €98,456 in current assets, comprised of cash, accounts receivables, sales taxes, inventory and prepaid expenses.

At June 4, 2020, the Company had a negative working capital of €(555,711) comprised of cash €(38,436), receivables €(6,640), sales tax receivables €(3,374), inventory €(8,245) and prepaid expenses €(41,761) which was offset by accounts payable €(79,167), and amount due to a parent company €(575,000).

The Company incurred a net profit for the five month period ended June 4, 2020 of €10,687,377 and had an accumulated retained earnings of €463,211.

As the Company is developing markets and working to find distribution networks, The Company's ability to continue as a going concern is dependent upon its financing by a parent company.

On June 5, 2020 EPG BV was acquired by Inolife R&D Inc., a Canadian based Company in the same field of operations as EPG. Since acquisition, Inolife has been financing the Company to assure its continuity.

These factors indicate the existence of a material uncertainty regarding the ability of the Company to continue as a going concern.

FINANCIAL INSTRUMENTS

Short-term financial instruments, comprising cash, accounts receivable, accounts payable and amount due to a parent company are carried at amortized cost which, due to their short-term nature, approximates their fair value.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any special purpose entities, nor is it a party to any transactions or arrangements that would be excluded from the statement of financial position.

RELATED PARTY TRANSACTIONS

The Company do not have any related party transactions during the five month period ended June 4, 2020 and the year ended December 31, 2019.

CRITICAL ACCOUNTING ESTIMATES

The Company's significant accounting judgements and estimates are described in note 2 of the consolidated financial statements for the five month period ended June 4, 2020 and year ended December 31, 2019.

CHANGES IN ACCOUNTING POLICIES

The Company's significant accounting policies are described in note 3 the consolidated financial statements for the five month period ended June 4, 2020 and year ended December 31, 2019.

RISKS AND UNCERTAINTIES

EPG is subject to a number of risks and uncertainties that could significantly affect the Company's financial condition and performance. This list of risk factors may not be exhaustive as the Company operates in a rapidly changing business environment and new risk factors emerge from time to time. The Company cannot predict such risk factors, nor can the Company assess the impact, if any, of such risk factors or uncertainties on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, neither shareholders of the Company nor purchasers of securities of the Company should rely on forward-looking statements as a prediction of actual results. If any of these risks actually occur, the Company's business, results of operations, financial position and cash flows could be adversely affected. In any such case, the market value of the Company's common shares could decline, and investors may lose all or part of their investment.

Liquidity and Future Financing Risk

The Company will likely operate at a loss until its business becomes established and the Company may require additional financing in order to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional shares from treasury, control may change and shareholders may suffer dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operations.

Conducting the costly and time-consuming research, pre-clinical and clinical testing necessary to obtain regulatory approvals and bringing the needle-free medical technology and products to market will require a commitment of substantial funds in excess of the Company's current capital. The Company's future capital requirements will depend on many factors, including, among others:

- the progress of current and new product development programs;
- the progress, scope and results of pre-clinical and clinical testing;
- the time and cost involved in obtaining regulatory approvals;
- the cost of manufacturing existing products and new products;
- the cost of prosecuting, enforcing and defending against patent infringement claims and other intellectual property rights;
- competing technological and market developments; and
- the Company's ability to establish and maintain collaborative and other arrangements with third parties to assist in potentially bringing our products to market.

Additional financing may not be available on acceptable terms, or at all. Domestic and international capital markets have been experiencing heightened volatility and turmoil, making it more difficult to raise capital through the issuance of equity securities. Furthermore, as a result of the recent volatility in the capital markets, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases cease to provide, funding to borrowers. To the extent the Company can raise additional capital through the sale of equity securities or issue securities in connection with another

transaction, the ownership position of existing stockholders could be substantially diluted. If additional funds are raised through the issuance of preferred stock or debt securities, these securities are likely to have rights, preferences and privileges senior to shares and may involve significant fees, interest expense, restrictive covenants and the granting of security interests in the Company's assets. Fluctuating interest rates could also increase the costs of any debt financing. Raising capital through a licensing or other transaction involving the Company's intellectual property, could require the Company to relinquish valuable intellectual property rights and thereby sacrifice long-term value for short-term liquidity.

The Company's failure to successfully address ongoing liquidity requirements would have a substantially negative impact on its business. If the Company is unable to obtain additional capital on acceptable terms when needed, it may need to take actions that adversely affect its business, stock price and ability to achieve cash flow in the future, including possibly surrendering its rights to some technologies or product opportunities, delaying clinical trials or curtailing or ceasing operations.

Going-Concern Risk

The Company's consolidated financial statements have been prepared on a going-concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financing and the achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financing or in achieving profitability. The consolidated financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

General Business Risks

Conflicts of Interest

Certain of the Company's directors and officers are, and may continue to be, involved in the medical industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities that the Company is not able to procure due to a conflict of interest of one or more of the Company's directors or officers.

Tax Risk

The Company is subject to various taxes including, but not limited to the following: Canadian income tax; goods and services tax; provincial sales tax; land transfer tax; and payroll tax as well as taxes in jurisdictions in which it operates. The Company's tax filings will be subject to audit by various taxation authorities. While the Company intends to base its tax filings and compliance on the advice of its tax advisors, there can be no assurance that its tax filing positions will never be challenged by a relevant taxation authority resulting in a greater than anticipated tax liability.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and accounts receivable. Cash consists of cash on hand deposited with reputable financial institutions which is closely monitored by management. Management believes credit risk with respect to financial instruments included in cash and accounts receivable is minimal. The Company's maximum exposure to credit risk as at December 31, 2020 is the carrying value of its cash and receivables.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying its financial obligations. The Company manages its liquidity risk by forecasting its operations and anticipating its operating and investing activities. The contractual cash flows of the Company's undiscounted financial liabilities are described in Note 6 of the consolidated financial statements.

Market risk

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

Risk associated with the development and expansion of business in emerging markets

The Company's business objectives involve the proposed expansion of its target market into emerging markets. Emerging markets have greater political and economic volatility and are far more susceptible to labour disruptions than established markets. This expansion presents challenges related to more volatile economic conditions, competition from companies that are already present in the market, the need to identify correctly and leverage appropriate opportunities for sales and marketing, poor protection of intellectual property, inadequate protection against crime (including counterfeiting, corruption and fraud), inadvertent breaches of local laws or regulations and difficulties in recruiting sufficient personnel with appropriate skills and experience.

The Company's China Operations and other emerging markets are subject to political and other risks associated with operating in a foreign jurisdiction.

The Company will have operations in China and may have operations in additional emerging markets in the future. Changes, if any, in investment policies or shifts in political attitude in the countries in which the Company operates may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, importation of product and supplies, income and other taxes, royalties, the repatriation of profits, expropriation of property, foreign investment, maintenance of concessions, licenses, approvals and permits, environmental matters, land use, land claims of local people, water use and workplace safety. The Company will continue to monitor developments and policies in the emerging markets in which it will operate and assess the impact thereof to its operations; however, such developments cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

Inflation in emerging markets, along with governmental measures to combat inflation, may have a significant negative effect on local economies and also on the Company's financial condition and results of operations.

In the past, high levels of inflation have adversely affected emerging economies and financial markets. Moreover, governmental measures to curb inflation and speculation could contribute to the negative economic impact of inflation and could create general economic uncertainty. The emerging markets in which the Company operates or may operate may experience high levels of inflation in the future. Inflationary pressures may weaken investor confidence in such countries and lead to further government intervention in the economy. If countries in which the Company operates experience high levels of inflation in the future and/or price controls are imposed, the Company may not be able to adjust the rates the Company charges its customers to fully offset the impact of inflation on the Company's cost structures, which could adversely affect the Company's results of operations or financial condition.

The Company may be responsible for corruption and anti-bribery law violations.

The Company's business is subject to Canadian laws which generally prohibit companies and employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. In addition, the Company is subject to the anti-corruption and anti-bribery laws of any other countries in which it conducts business now or in the future. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and anti-corruption and anti-bribery laws for which the Company may be held responsible. Although the Company has policies and procedures in place that are designed to promote legal and regulatory compliance, the employees, business partners and consultants of the Company could take actions that violate applicable anti-bribery and anti-corruption laws or regulations. Violations of these laws, or allegations of such violations, could result in loss, reduction or expropriation and/or have a material adverse effect on the Company's business, results of operations or financial condition.

Interest rate risk

Interest rate risk consists of a) the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, and b) to the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities. The Company is not exposed to any significant interest rate price risk.

Foreign currency risk

The Company is exposed to foreign currency risk due to the timing of their accounts payable balances, debentures, cash consideration payable and loan. This risk is mitigated by timely payment of creditors and monitoring of foreign exchange fluctuations by management. The company is exposed to unrealized foreign exchange risk through its Renminbi (Yuan) cash holdings. At June 4, 2020, a 10% change in the RMB foreign exchange rate would result in an unrealized gain of approximately €2,000 on the cash balance and a loss of € 450 on the liabilities.

COVID-19

Refer to note 1 of the consolidated financial statements for the five month period ended June 4, 2020 and December 31, 2019 for COVID-19 information.

SUBSEQUENT EVENTS

On June 5, 2020, the Company was acquired by Inolife R&D Inc, a Canadian-based Company operating in the same field of operations being manufacturing of needless injector devices.

APPENDIX "E"

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF THE RESULTING ISSUER

Find attached the unaudited pro forma consolidated financial statements of the Resulting Issuer after giving effect to the Transaction as at December 31, 2020 and as at June 30, 2021.

**UNAUDITED PRO FORMA CONSOLIDATED
FINANCIAL STATEMENTS OF
NUGEN MEDICAL DEVICES INC. [formerly
BuzBuz Capital Corp.]**

(THE RESULTING ISSUER)

(In CAD \$)

Pro Forma Consolidated Statement of Financial Position
At June 30, 2021
UNAUDITED
(in CAD \$, except share amounts)

	INOLIFE R&D INC. (accounting acquirer)	BUZBUZ CAPITAL CORP. (accounting acquiree)	Subsequent equity transactions	Subsequent event	Canaccord Private placement	Commission on Private Placement	Convertible debt and derivative liability	Settlement of debt with shares	Interco elimination	Pro Forma Adjustments	NUGEN MEDICAL DEVICES INC. Proforma Consolidated
			Note 3(c)	Note 3(f)	Note 3(a)	Note 3(b)	Note 3(d)	Note 3(e)	Note 3(g)	Note 3(g)	
Assets											
<i>Current</i>											
Cash	124 777	138 397	484 170	-	4 641 703	(445 519)	-	(94 500)	-	-	4 849 028
Restricted cash	4 908 459	-	(484 170)	-	(4 424 289)	-	-	-	-	-	-
Accounts receivable	10 167	-	-	-	-	-	-	-	-	-	10 167
Sales tax recoverable	136 267	-	-	-	-	-	-	-	-	-	136 267
Inventory	8 414	-	-	-	-	-	-	-	-	-	8 414
Deferred financing cost	241 244	40 025	(23 830)	-	(217 414)	-	-	-	-	-	40 025
Loan receivable	-	231 473	-	-	-	-	-	-	(231 473)	-	-
Prepaid expenses	22 401	-	-	-	-	-	-	-	-	-	22 401
	5 451 729	409 895	(23 830)	-	-	(445 519)	-	(94 500)	(231 473)	-	5 066 302
<i>Non-current</i>											
Property and equipment	22 322	-	-	-	-	-	-	-	-	-	22 322
Intangible assets and goodwill	7 290 516	-	-	-	-	-	-	-	-	-	7 290 516
	7 312 838	-	-	-	-	-	-	-	-	-	7 312 838
	12 764 567	409 895	(23 830)	-	-	(445 519)	-	(94 500)	(231 473)	-	12 379 140
Liabilities and equity											
<i>Current</i>											
Accounts payable	1 864 862	61 751	-	-	-	-	-	(169 500)	-	-	1 757 113
Loan	1 070 193	-	-	(845 193)	-	-	-	-	(225 000)	-	-
Cash consideration payable	1 413 504	-	-	(1 413 504)	-	-	-	-	-	-	-
Subscription receipt in escrow	5 150 000	-	(508 000)	-	(4 642 000)	-	-	-	-	-	-
Royalty obligation	-	-	-	-	-	-	-	-	-	-	-
	9 498 559	61 751	(508 000)	(2 258 697)	(4 642 000)	-	-	(169 500)	(225 000)	-	1 757 113
<i>Non-current</i>											
Loan	50 325	-	-	262 343	-	-	-	-	-	-	312 668
Cash consideration payable	-	-	-	1 200 116	-	-	-	-	-	-	1 200 116
Contingent shares	339 734	-	-	-	-	-	-	-	-	-	339 734
Derivative Liability	669 627	-	-	-	-	-	(292 776)	-	-	-	376 851
Convertible debt	4 684 234	-	-	-	-	-	(309 215)	-	-	-	4 375 019
	15 242 479	61 751	(508 000)	(796 238)	(4 642 000)	-	(601 991)	(169 500)	(225 000)	-	8 361 501
<i>Shareholders' Equity</i>											
Share capital	7 507 050	547 259	440 167	-	4 239 907	(593 382)	601 991	75 000	(547 259)	1 803 750	14 074 482
Reserves	1 102 970	67 140	44 003	-	402 093	147 863	-	-	(67 140)	127 478	1 824 408
Accumulated OCI	(159 236)	-	-	-	-	-	-	-	-	-	(159 236)
Deficit	(10 928 696)	(266 255)	-	796 238	-	-	-	-	491 255	(1 814 557)	(11 722 015)
	(2 477 912)	348 144	484 170	796 238	4 642 000	(445 519)	601 991	75 000	(123 144)	116 671	4 017 639
	12 764 567	409 895	(23 830)	-	-	(445 519)	-	(94 500)	(348 144)	116 671	12 379 140

Pro Forma Consolidated Statement of Operations

At June 30, 2021

UNAUDITED

(in CAD \$, except share amounts)

	INOLIFE R&D INC. (accounting acquirer)	BUZBUZ CAPITAL CORP. (accounting acquiree)	Subsequent event Note 3(f)	Interco elimination Note 3(g)	Pro Forma Adjustments Note 3(g)	NUGEN MEDICAL DEVICES INC. Proforma Consolidated
Sales	81 908	-	-	-	-	81 908
Operating Expenses						
Sales and marketing	59 538	-	-	-	-	59 538
Salaries and benefits	477 929	-	-	-	-	477 929
General and administrative	235 325	39 764	-	(6 473)	-	268 616
Professional fees	875 610	5 000	-	-	-	880 610
Depreciation expense	6 186	-	-	-	-	6 186
Amortization - intangible assets	314 136	-	-	-	-	314 136
(Gain) loss on foreign exchange	(267 048)	-	-	-	-	(267 048)
Total operating expenses	1 701 676	44 764	-	(6 473)	-	1 739 967
Loss before other expenses	(1 619 768)	(44 764)	-	6 473	-	(1 658 059)
Other income (expenses)						
Financial expenses	(602 070)	-	-	(225 000)	-	(827 070)
Gain on extinguishment of debt	-	-	796 238	-	-	796 238
Income tax expense	(2 550)	-	-	-	-	(2 550)
Listing expense	-	-	-	-	(1 814 557)	(1 814 557)
	(604 620)	-	796 238	(225 000)	(1 814 557)	(1 847 939)
Net loss	(2 224 388)	(44 764)	796 238	(218 527)	(1 814 557)	(3 505 998)
Other comprehensive loss (income)						
Cumulative translation adjustment	351 242	-	-	-	-	351 242
Net loss and comprehensive loss	(2 575 630)	(44 764)	796 238	(218 527)	(1 814 557)	(3 857 240)
Net loss per common share, basic and diluted	(0,013)	(0,005)				(0,045)
Weighted average number of common shares outstanding (post consolidation)	191 319 109	9 502 778				86 008 641

Pro Forma Consolidated Statement of Operations

At December 31, 2020

UNAUDITED

(in CAD \$, except share amounts)

	INOLIFE R&D INC. (accounting acquirer)	BUZBUZ CAPITAL CORP. (accounting acquiree)	Subsequent event Note 3(f)	Interco elimination Note 3(g)	Pro Forma Adjustments Note 3(g)	NUGEN MEDICAL DEVICES INC. Proforma Consolidated
Sales	47 295	-	-	-	-	47 295
Operating Expenses						
Sales and marketing	239 622	-	-	-	-	239 622
Salaries and benefits	684 288	-	-	-	-	684 288
General and administrative	273 425	45 150	-	(6 473)	-	312 102
Professional fees	1 063 650	20 000	-	-	-	1 083 650
Depreciation expense	6 711	-	-	-	-	6 711
Amortization - intangible assets	359 750	-	-	-	-	359 750
Impairment - intangible assets	21 323	-	-	-	-	21 323
Depreciation of Right-of-use asset	9 706	-	-	-	-	9 706
(Gain) loss on foreign exchange	158 492	-	-	-	-	158 492
Total operating expenses	2 816 967	65 150	-	(6 473)	-	2 875 644
Loss before other expenses	(2 769 672)	(65 150)	-	6 473	-	(2 828 349)
Other income (expenses)						
Financial expenses	(911 413)	-	-	(225 000)	-	(1 136 413)
Gain on extinguishment of debt	-	-	796 238	-	-	796 238
Other income	22 849	-	-	-	-	22 849
Income tax expense	(12 166)	-	-	-	-	(12 166)
Listing expense	-	-	-	-	(1 814 557)	(1 814 557)
	(900 730)	-	796 238	(225 000)	(1 814 557)	(2 144 049)
Net loss	(3 670 402)	(65 150)	796 238	(218 527)	(1 814 557)	(4 972 398)
Other comprehensive loss (income)						
Cumulative translation adjustment	(192 006)	-	-	-	-	(192 006)
Net loss and comprehensive loss	(3 478 396)	(65 150)	796 238	(218 527)	(1 814 557)	(4 780 392)
Net loss per common share, basic and diluted	(0,021)	(0,007)				(0,056)
Weighted average number of common shares outstanding (post consolidation)	162 287 269	9 500 000				86 008 641

NuGen Medical Devices Inc. [formerly BuzBuz Capital Corp.]

Notes to Unaudited Pro Forma Consolidated Financial Statements

At June 30, 2021

(Expressed in CAD, except share data unless otherwise noted)

1. DESCRIPTION OF THE TRANSACTION

These unaudited pro forma consolidated financial statements have been prepared for the purposes of inclusion in the Listing Statement for the proposed business combination of Inolife R&D Inc. ("INOLIFE") by Buzbuz Capital Corp. ("BUZ", or the "Company"). A definitive Business Combination Agreement was signed in connection with the Arrangement Agreement (the "Agreement") dated October 1, 2020.

Under the terms of the Agreement, the shareholders of INOLIFE Shares (the "INOLIFE Shareholders") will receive one (1) of a BUZ common share (each whole share, a "BUZ Share") for every one (1) INOLIFE Share (the "Exchange Ratio"). These pro forma statements use CAD\$0.37 per share for aggregate share consideration issuable to Former Inolife Shareholders after giving effect to the Private Placements of 11,605,000 PP shares for gross proceeds of \$4,642,000.

Following completion of the Transaction, the Resulting Issuer will be named "NuGen Medical Devices Inc.", and will carry on the business of Inolife as a medical device company in the business of developing and commercializing novel drug technologies, including the needle-free injection systems.

2. BASIS OF PREPARATION

The unaudited pro forma consolidated statement of financial position and consolidated statement of operations as at June 30, 2021 gives effect to the Agreement as if it will close on July 1, 2021. The unaudited pro forma consolidated statement of operation as at December 31, 2020 gives effect to the Agreement as if it closed on January 1, 2021.

The pro forma consolidated financial statements have been prepared by management of INOLIFE to give effect to the Agreement described in note 1 and have been compiled from and include:

- a) An unaudited pro forma consolidated statement of financial position as at June 30, 2021 combining the unaudited condensed interim statement of financial position of BUZ as at June 30, 2021 with the unaudited condensed consolidated statement of financial position of INOLIFE as at June 30, 2021;
- b) An unaudited pro forma consolidated statement of operations as at June 30, 2021 combining the unaudited condensed interim statement of operations of BUZ as at June 30, 2021 with the unaudited condensed consolidated statement of operations of INOLIFE as at June 30, 2021;
- c) An unaudited pro forma consolidated statement of operations as at December 31, 2020 combining the unaudited condensed interim statement of operations of BUZ as at December 31, 2020 with the unaudited condensed consolidated statement of operations of INOLIFE as at December 31, 2020.

NuGen Medical Devices Inc. [formerly BuzBuz Capital Corp.]

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The unaudited pro forma consolidated financial statements have been compiled using accounting policies consistent with those adopted by the Issuer in accordance with International Financial Reporting Standards ("IFRS"), but do not include all of the disclosures required by IFRS, and should be read in conjunction with the Issuer's financial statements listed above.

The unaudited pro forma consolidated financial information gives effect to INOLIFE's reverse acquisition of BUZ as if it had occurred at July 1, 2021 for the purposes of the unaudited pro forma consolidated financial statements.

Accounting policies used in the preparation of the pro forma consolidated financial statements are in accordance with those disclosed in the audited financial statements of the companies mentioned above which were all prepared in accordance IFRS.

The unaudited pro forma consolidated financial statements are not necessarily indicative of the results of operations that would have occurred had the reverse acquisitions of BUZ by INOLIFE been effected on the dates indicated, nor are the unaudited pro forma financial statements indicative of the results of operation of future periods. Actual amounts recorded upon consummation of the proposed acquisition will differ from such unaudited pro forma consolidated financial statements. Since the pro forma consolidated financial statements have been developed to retroactively show the effect of transactions that are expected to occur or did occur at a later date (even though this was accomplished by following accepted practice and using reasonable assumptions), there are limitations inherent in the very nature of such pro forma data.

3. PRO FORMA ADJUSTMENTS AND ASSUMPTIONS

(a) On December 30, 2020, Inolife closed a brokered Private Placement with Canaccord Genuity Corp. (the "Agent"), pursuant to which 15,000,000 Inolife Sub-Receipts was sold at a price of \$0.40 per Inolife Sub-Receipt for aggregate gross proceeds of \$6,000,000 in connection with the proposed Transaction.

Each Inolife Sub-Receipt is automatically convertible into one (1) Inolife PP Unit without any further action by the holder thereof and for no additional consideration. Each PP Unit is comprised of one Inolife Share and one-half (1/2) Inolife PP Warrant. Each Inolife PP Warrant is exercisable into one (1) Inolife Share at an exercise price of \$0.70 per share for 12 months following satisfaction of the Escrow Release Conditions on or prior to September 30, 2021. The warrants were valued using a Black-Scholes model, assuming share price of \$0.37, risk free interest rate of 0.29%, volatility of 82%.

During February 2021, two investors decided to release their investments from the escrow conditions and proceed to a direct subscription agreement with the Company. Thereby, 1,875,000 units (post 3-to-1 consolidation) were issued which comprise one common share and one warrant at an agreed price of \$0.40 per unit for gross proceeds of \$750,224.

During June 2021, one investor decided to release his investment from the escrow conditions and proceed to a direct subscription agreement with the Company. Thereby, 250,000 units (post 3-to-1 consolidation) were issued which comprise one common share and one warrant at an agreed price of \$0.40 per unit for gross proceeds of \$100,000.

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(b) Pursuant to the terms of the Private Placement, a commission of 8% of the aggregate gross proceeds of the Private Placement, representing a payment of \$480,000, was paid to the Agent as follows (i) a cash payment of \$395,519; and (ii) a payment equal to \$84,481 by the issuance of 211,202 Inolife Sub-Receipts. A corporate finance fee of \$50,000 and 1,200,000 Agent's Warrants, equal to 8% of the number of Inolife Sub-Receipts sold under the Private Placement, was paid to the Agent. The warrants were valued using a Black-Scholes model, assuming share price of \$0.37, risk free interest rate of 0.29%, volatility of 82%.

In addition to this commission, an introductory fee representing one percent (1%) calculated based on a pre-money valuation of the combined value of both Inolife and Buz and will be paid in Inolife PP Units. Each Inolife PP Unit is comprised of one (1) Inolife Share at an exercise price of \$0.40 per share and one-half (1/2) Inolife PP Warrant. The warrants were valued using a Black-Scholes model, assuming share price of \$0.37, risk free interest rate of 0.29%, volatility of 82%.

(c) During August 2021, four investors decided to release their investments from the escrow conditions and proceed to a direct subscription agreement with the Company. Thereby, 520,000 units (post 3-to-1 consolidation) were issued which comprise one common share and one warrant at an agreed price of \$0.40 per unit for gross proceeds of \$208,000.

During September 2021, an investor decided to release their investment from the escrow conditions and proceed to a direct subscription agreement with the Company. Thereby, 750,000 units (post 3-to-1 consolidation) were issued which comprise one common share and one warrant at an agreed price of \$0.40 per unit for gross proceeds of \$300,000.

(d) In addition, the Inolife Convertible Debenture related to the Bridge Financing outstanding immediately prior completion of the transaction will be exchanged for an equal number of the resulting issuer shares on a one-on-one exchange basis. Such number of Inolife Convertible Debentures shall include the 1,516,667 shares issuable upon conversion of the debentures issued pursuant to the Bridge Financing. A 10% interest on these debentures is payable in common shares of the Company. As of September 29, 2021, these interest represents 126,389 common shares but this number is not final as these will be calculate at the exact date of the conversion.

(e) In October 2020, the Company signed a settlement agreement with TransferTech Sherbrooke ("TTS") for the payment of the current portion of the Royalty obligation (\$150,000 plus applicable taxes and interests). The current debt shall be payable in total within 15 days of the closing date of an equity financing for a minimum gross proceeds of \$2,000,000 in connection with the public listing of the Company, to be completed at the latest on September 30, 2021. The debt shall be paid by the Company in cash and shares by a payment of 50% of the owed amount and 100% of the applicable taxes and interest for the debt due, and a payment of \$75,000 in Common shares by the issuance of 562,641 shares at a price of \$0.1333 per Common share on a pre-consolidated basis (187,500 shares at a price of \$0.40).

(f) On August 24, 2021, an amendment of the share purchase agreement in conjunction with the acquisition of European Pharma Group B.V. was signed between Mosadex and the Company to reduce the loan of EUR 575,000 to EUR 275,000 and to postpone the repayment within 28 months from the listing of the Company on the TSX Venture Exchange. The loan was recognized at the fair value based on an estimated market interest rate of 15% and an amount of CAD \$582,850 has been recognized as gain on loan extinguishment.

NuGen Medical Devices Inc. [formerly BuzBuz Capital Corp.]**Notes to Unaudited Pro Forma Consolidated Financial Statements**

At June 30, 2021

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Also, both parties agreed to increase the amount of the cash consideration payable of EUR 1,000,000 to EUR 1,200,000 but to postpone the repayment by the Company to 28 months after the listing of the Company on the TSX Venture Exchange. The loan was recognized at the fair value based on an estimated market interest rate of 15% and an amount of CAD \$213,388 has been recognized as gain on loan extinguishment.

(g) On completion of amalgamation of INOLIFE and BUZ, this transaction will result in a reverse acquisition by INOLIFE. Accordingly, INOLIFE is the accounting acquiror whereas BUZ is the accounting acquiree under IFRS. For each one (1) common share of BUZ, INOLIFE has issued one (1) of its common shares. See Note 4 – Pro Forma Share Capital.

Reverse Acquisition Accounting

As BUZ does not meet the definition of a business under IFRS 3, *Business Combinations*, the acquisition of BUZ will be accounted for under IFRS 2, *Share Based Payment*. Under a reverse acquisition accounting, any difference in the fair value of the consideration and the fair value of BUZ's net assets acquired is recorded as a listing expense charge in the statement of loss and comprehensive loss. As noted below, for illustrative purposes, INOLIFE used a preliminary estimated fair value of \$0.37 per share of BUZ as consideration transferred to acquire control of BUZ, this resulted in a total listing expense of \$1.81 million as follows:

Common share consideration	
# of common shares issued to BUZ shareholders	4 875 000
Estimate fair value of common shares	0.37
	<u>1 803 750</u>
Estimate fair value of options	<u>127 478</u>
Total consideration	<u>1 931 228</u>
BUZ's net asset at fair value:	
Cash	138 397
Deferred financing cost	40 025
Accounts payable and accrued liabilities	<u>(61 751)</u>
BUZ's net asset at fair value:	<u>116 671</u>
Excess (listing expense)	<u>1 814 557</u>

The fair value of warrants and options were valued using a Black-Scholes model, assuming share price of \$0.37, risk free interest rate of 0.29%, volatility of 82%.

As part of the reverse acquisition accounting, adjustments have been made to reflect the elimination of BuzBuz historical equity, inter company loans and retained earnings accounts.

NuGen Medical Devices Inc. [formerly BuzBuz Capital Corp.]**Notes to Unaudited Pro Forma Consolidated Financial Statements**

At June 30, 2021

(Expressed in CAD, except share data unless otherwise noted)

4. PRO FORMA SHARE CAPITAL

A continuity of the BUZ and INOLIFE's issued and outstanding common shares, capital, and convertible debenture equity after giving effect to the pro forma transactions described in Note 3 above is set out below (take note that number of shares obtained from debt conversion are calculated based on management estimations):

Issued Securities	# of common shares	\$ common shares	# of Warrants	\$ Warrants
Issued & Outstanding at June 30, 2021 (post 3-to-1 INOLIFE consolidation)	64 560 536	7 507 050	8 820 992	980 876
Issued & Outstanding at June 30, 2021 (post 2-to-1 BUZ consolidation)	4 875 000	547 259	-	-
Shares issued in August and September 2021 (post 3-to-1 INOLIFE consolidation)	1 270 000	463 997	635 000	44 003
Canaccord Private Placement	11 605 000	4 239 907	5 802 500	402 093
Cost of issue	211 202	(535 993)	105 601	7 318
Canaccord Private Placement broker's fee	-	-	1 200 000	83 156
Canaccord Private Placement Introductory fee	1 656 348	(57 390)	828 174	57 390
Convertible debt and derivative liability	1 516 666	564 074	-	-
Interest on convertible debentures	126 389	37 917	-	-
Settlement of debt with shares	187 500	75 000	-	-
	86 008 641	12 841 821	17 392 267	1 574 836

This table does not include 1,666,667 RI Shares that may be issued to Care4Pharma pursuant to a price adjustment clause in the Second Amended and Restated Share Purchase Agreement and Settlement Agreement. See "Inolife – Business of Inolife – Share Purchase Agreements and Acquisition of EPG". Any adjustment in the number of RI Shares (either currently issued or to be issued in the future) would be based upon the requirements of the TSXV. If these 1,666,667 RI Shares are issued to Care4Pharma, these will be considered as escrowed securities.

CERTIFICATE OF THE CORPORATION

Dated: September 29, 2021

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by securities legislation of the Provinces of British Columbia, Alberta, Saskatchewan and Ontario and the regulations thereunder.

BUZBUZ CAPITAL CORP.

Signed "*Richard Buzbuzian*"

Richard Buzbuzian
Chief Executive Officer

Signed "*Robert Suttie*"

Robert Suttie
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF BUZBUZ CAPITAL CORP.

Signed "*Anthony DiBenedetto*"

Anthony DiBenedetto
Director

Signed "*Jason Monaco*"

Jason Monaco
Director

CERTIFICATE OF INOLIFE

Dated: September 29, 2021

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the issuer as required by securities legislation of the Provinces of British Columbia, Alberta, Saskatchewan and Ontario and the regulations thereunder.

INOLIFE R&D INC.

Signed "*Michael Wright*"

Michael Wright
Chief Executive Officer

Signed "*Véronique Laberge*"

Véronique Laberge
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF INOLIFE R&D INC.

Signed "*Michael Wekerle*"

Michael Wekerle
Director

Signed "*Derek Lindsay*"

Derek Lindsay
Director