

**HOPEFIELD VENTURES TWO INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIODS ENDED SEPTEMBER 30, 2023**

Report Date:
November 29, 2023

This Management Discussion and Analysis (“**MD&A**”) provides an analysis of the business of Hopefield Ventures Two Inc. (“**Hopefield**”, or the “**Company**”) and its financial results for the three- and nine-month periods ended September 30, 2023. The following MD&A should be read in conjunction with the Company’s unaudited condensed financial statements and the notes thereto for the periods ended September 30, 2023 and the Company’s audited financial statements and the notes thereto for the period ended December 31, 2022 (the “**Financial Statements**”). This discussion is current as at this report date. The Financial Statements (and the financial information contained in the related MD&A) were prepared in accordance with International Financial Reporting Standards (“**IFRS**”) and all monetary amounts expressed in this MD&A and in the Financial Statements are expressed in Canadian dollars, unless otherwise stated. Such financial statements, MD&A and additional information about the Company are available at www.sedar.com.

Forward Looking Information

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith, and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "shall", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These forward-looking statements include but are not limited to statements concerning:

- The Company’s ability to identify, successfully negotiate and/or finance an acquisition of a new business opportunity;
- The Company’s success at completing future financings;
- The Company’s strategies and objectives;
- General business and economic conditions;
- The Company’s ability to meet its financial obligations as they become due;
- The positive cash flows and financial viability of new business opportunities;

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- The Company’s ability to manage growth with respect to a new business opportunity; and
- The Company’s tax position, anticipated tax refunds and the tax rates applicable to the Company.

Readers are cautioned that the preceding list of risks, uncertainties, assumptions, and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by these forward-looking statements. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, investors in securities of the Company should not place undue reliance on these forward-looking statements.

Summary of Business and Discussion of Operations

The Company was incorporated pursuant to the provisions on the *Business Corporations Act* (British Columbia) on January 24, 2022. The Company is a capital pool company (“**CPC**”) as defined in Policy 2.4 of the TSX Venture Exchange (the “**Exchange**”). The Company has no commercial operations and its purpose is to identify and evaluate potential acquisitions of operating businesses, and once identified and evaluated, to negotiate an acquisition of such a business, subject to receipt of regulatory approval.

On July 20, 2023, Hopefield announced that it had entered into a non-binding letter of intent (“**LOI**”) dated July 20, 2023 to complete a business combination (the “**Transaction**”) with Predictive Technologies LLC (“**Predictive**”). Pursuant to the applicable steps of the Transaction as contemplated by the LOI, Hopefield will acquire all of the issued and outstanding shares of Predictive from the Predictive shareholders in exchange for post- consolidation common shares of Hopefield to form the resulting issuer (“**Resulting Issuer**”). Upon completion of the Transaction, it is the intention of the parties that the Resulting Issuer will continue on the business of Predictive and will qualify as a Tier 2 Technology Issuer on the Exchange. Hopefield intends that the Transaction will constitute its Qualifying Transaction, as such term is defined in the Exchange’s Policy 2.4 – *Capital Pool Companies*.

Immediately prior to the share exchange contemplated by the Transaction, Hopefield will complete a consolidation of its issued and outstanding capital on the basis of one post-consolidated Hopefield share (each an “**HVII Post-Consolidated Share**”) for each 2.0868749 pre-consolidation Hopefield shares, resulting in an aggregate of 8,571,429 HVII Post-Consolidated Shares (the “**Consolidation**”). Pursuant to the applicable steps of the Transaction, the equity capital of Hopefield and Predictive will be reorganized as contemplated by the LOI, including: (a) to implement the Consolidation; (b) existing holders of Hopefield’s convertible securities shall become holders of equivalent convertible securities of the Resulting Issuer, adjusted for the Consolidation; (c) Predictive shareholders shall receive an aggregate of 112,239,142 common shares of the Resulting Issuer (“**Resulting Issuer Shares**”), on a pro rata basis; and (d) Hopefield shall become the holder of all of the issued and outstanding securities of Predictive.

Prior to the closing date of the Transaction (the “**Closing Date**”), Predictive, with the assistance of Hopefield, intends to complete a private placement offering of subscription receipts (the “**Subscription Receipts**”) at a minimum price of CAD\$0.35 per Subscription Receipt, to raise aggregate gross proceeds of a minimum of CAD\$3,000,000, or such other amount and on such

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other terms as Predictive and Hopefield may otherwise agree, acting reasonably, which may include the issuance of warrants on such terms as Predictive and Hopefield may agree, acting reasonably (the “**Concurrent Financing**”).

All Subscription Receipts issued would be convertible, for no additional consideration, into securities of Predictive, which securities shall be exchanged by the holders thereof for economically equivalent securities of the Resulting Issuer, in connection with the completion of the Transaction, and which securities of the Resulting Issuer shall be freely-tradable in the reporting Provinces. In the event the Transaction does not close on or by a date to be agreed by Predictive and Hopefield, subscription funds raised under the Concurrent Financing shall be returned to the subscribers thereunder in full, without interest or deduction. The parties have agreed that it is their intention that the securities of the Resulting Issuer issued in exchange for the securities issued pursuant to the Concurrent Financing will, to the extent permitted by Canadian securities laws, be issued without a hold period in Canada, provided that neither party will be required to file a prospectus in connection with the securities of the Resulting Issuer.

Prior to the Closing Date, in addition to the Concurrent Financing, Predictive may also complete an interim financing required in connection with the Transaction, on terms and conditions as agreed to between the parties, each acting reasonably (the “**Interim Financing**”).

Following the Transaction, the Concurrent Financing, and the Consolidation, the Resulting Issuer will have approximately 129,382,000 common shares issued and outstanding, of which the shareholders of Hopefield will hold approximately 8,571,429 common shares (6.63%), the shareholders of Predictive will hold approximately 112,239,142 common shares (86.75%), and the shareholders under the Concurrent Financing will hold approximately 8,571,429 common shares (6.63%) of the Resulting Issuer. A portion of the Resulting Issuer Shares may be subject to escrow provisions which shall be imposed by the policies of the Exchange and/or applicable securities laws. If applicable, these escrowed securities will be held in escrow and released, over time, as determined by the Exchange and/or applicable securities laws.

Predictive is a technology company which develops and implements state-of-the-art artificial intelligence capabilities which are delivered through a software-as-a-service (SaaS) business model. These technologies are built on seven years of dedicated research and development. Customers can utilize the Predictive’s AI technologies in their own businesses without having to invest in the infrastructure and expertise to develop these capabilities themselves. They include, amongst others, services such as automated data analytics, natural language processing, predictive modelling, image and video analytics, and assistance and advisory function. Predictive markets its AI technologies under the name “Qeleo”. Predictive is a limited liability company existing under the laws of Colorado, United States, which was formed on September 16, 2016. To learn more, visit: <https://qeleo.com>. To experience Predictive’s AI platform, visit: <https://qeleo.ai>

Until completion of a Qualifying Transaction (as defined in Exchange Policy 2.4), 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. Except as described in the Company's final prospectus dated December 22, 2022, the funds raised pursuant to the Company's initial public offering and any subsequent financing will be utilized only for the identification and

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evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

The Financial Statements have been prepared on a going concern basis, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The continuing operations of the Company are dependent upon its ability to identify, evaluate, negotiate and complete a Qualifying Transaction, which is not assured. The accompanying Financial Statements do not reflect adjustments that may be necessary if the going concern assumption were not appropriate. If the going concern basis were not appropriate, adjustments may be necessary to the carrying amounts and/or classification of assets and/or liabilities and the reported expenses in these Financial Statements. Such adjustments could be material.

There is no assurance that the Company will identify an appropriate business or asset for acquisition or investment and even if so identified and warranted, it may not be able to finance such acquisition or investment. Additional funds may be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that a business or asset acquired will be profitable.

Summary of Quarterly Results

Selected financial information for the most recently completed quarters since the date of incorporation on January 24, 2022 is presented in the table below. The information has been derived from financial statements prepared in accordance with IFRS and all dollar amounts are reported in Canadian currency.

	Quarter Ended Sep 30, 2023	Quarter Ended Jun 30, 2023	Quarter Ended Mar 31, 2023	Quarter Ended Dec 31, 2022	Quarter Ended Sep 30, 2022	Quarter Ended Jun 30, 2022	Period from Jan 24 to Mar 31, 2022
Revenue	Nil						
Net loss	\$45,208	\$22,500	\$31,724	\$16,738	\$14,137	\$17,726	\$92,881
Basic and diluted net loss per share	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.01
Share-based compensation	Nil	Nil	\$14,750	Nil	Nil	Nil	\$84,995
Professional fees	\$42,585	\$6,521	\$6,538	\$2,270	\$13,779	\$17,399	\$6,479
Filing fees	\$788	\$8,888	\$10,287	\$14,124	Nil	Nil	Nil

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Financing costs incurred ⁽¹⁾	Nil	Nil	\$68,319 ⁽²⁾	\$18,196	\$9,350	\$7,146	\$22,046
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(1) Includes costs charged to deferred financing costs and costs charged directly to common shares during applicable periods.

(2) Includes \$8,600 fair value of Agent's options granted.

The Company has no revenue-generating operations since its date of incorporation.

Three Months Ended September 30, 2023

During the three-months ended September 30, 2023, the Company incurred a net loss of \$45,208, representing a 220% increase compared with a net loss of \$14,137 for the comparable period of the prior year. Compared to the previous quarter, ended June 30, 2023, the net loss of \$45,208 represented an increase of \$22,708 or a 101% increase.

The increase in loss during the period versus the comparable period in 2022 was primarily due to professional fees of \$42,585, which represented an increase of \$28,806 versus the comparable period in 2022 and which were incurred in 2023 largely in connection with the Company's proposed Transaction with Predictive.

The increase in loss of \$22,708 in the current period versus the previous quarter was due to an increase of \$36,064 in professional fees, offset by a decrease in filing fees of \$8,100 and by a decrease in transfer agent fees of \$5,256.

Nine Months Ended September 30, 2023

During the nine-months ended September 30, 2023, the Company incurred a net loss of \$99,432, representing a 20% decrease compared with a net loss of \$124,744 for the comparable period from incorporation on January 24, 2022 until September 30, 2022.

The decrease in loss of \$25,312 during the period versus the comparable period in 2022 was primarily due to a decrease in share-based compensation expenses of \$70,245, offset by increases of \$19,963 in filing fees, \$17,987 in professional fees and \$8,828 in transfer agent fees during the current period.

Share Capital

Authorized

The Company has authorized an unlimited number of common shares and preferred shares without par value.

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Issued and Outstanding

As at September 30, 2023 and as at November 29, 2023, the Company has 17,887,500 common shares (the “**Common Shares**”) and 1,988,750 stock options issued and outstanding, of which 1,788,750 stock options were granted to directors and officers of the Company pursuant to the Stock Option Plan (as defined below), and of which 200,000 stock options were granted to the Company’s Agent as compensation pursuant to the IPO (as defined below).

Security	Number of Securities	Date of Issuance	Gross Proceeds \$ Amount
Common Shares	2,500,000	January 9, 2023	\$250,000
Stock Options	200,000	January 9, 2023	N/A ⁽¹⁾
Common Shares	700,000	March 24, 2022	\$35,000
Common Shares	5,987,500	February 24, 2022	\$598,750
Common Shares	1,000,000	February 16, 2022	\$50,000
Common Shares	7,700,000	February 9, 2022	\$385,000

(1) 200,000 Options were issued to the Agent (as defined below) pursuant to the January 9, 2023 IPO.

Stock Options

On January 27, 2022, the Company adopted a stock option plan (the “**Stock Option Plan**”) whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum number of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued and outstanding Common Shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price (if any) of the Company’s Common Shares.

The Stock Option Plan provides that the number of Common Shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued and outstanding Common Shares, if the individual is a director or officer, or 2% of the issued and outstanding Common Shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All stock options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such stock options are granted.

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On January 9, 2023, the Company granted a total of 250,000 stock options to directors and officers of the Company, which vested immediately, having an exercise price of \$0.10 per Common Share. The fair value of the stock options granted was determined to be \$14,750 using the Black-Scholes option pricing model under the following assumptions:

Common Share price	\$0.10
Exercise price	\$0.10
Expected dividend yield	Nil
Expected volatility	44%
Risk-free interest rate	3.08%
Expected option life	10 years
Fair value (per share) of options granted	\$0.059

A summary of the Company’s outstanding stock options issued pursuant to the Stock Option Plan as at the date of this MD&A is as follows:

Grant Date	Number of Options Outstanding	Exercise Price	Expiry Date	Remaining Contractual Life
January 9, 2023	250,000	\$0.10	January 9, 2033	9.1 years
February 28, 2022	598,750	\$0.10	February 28, 2032	8.3 years
February 10, 2022	940,000	\$0.05	February 10, 2032	8.2 years

Liquidity and Capital Resources

The Company manages its capital structure to maximize its financial flexibility. It may make adjustments to the capital structure in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company’s management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. As at September 30, 2023, the Company is not subject to any externally imposed capital requirements or debt covenants. There were no changes to management’s approach to capital management during the year.

On January 9, 2023, the Company completed its initial public offering (“**IPO**”), raising gross proceeds of \$250,000 pursuant to a prospectus dated December 22, 2022. An aggregate of 2,500,000 Common Shares in the authorized share structure of Hopefield were subscribed for at a price of \$0.10 per share. Canaccord Genuity Corp. acted as the agent (“**Agent**”) for the offering. The Company paid the Agent \$20,000 in Agent’s commission, \$37,890 in fees and expenses and issued 200,000 share purchase options exercisable at a price of \$0.10 per option until January 11, 2028.

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As at September 30, 2023, the Company had a working capital balance of \$1,061,124 (December 31, 2022 - \$1,006,208), including cash of \$1,113,097 (December 31, 2022 - \$979,428), which amount is considered adequate to meet its requirements for the ensuing 12 months based on current budgeted expenditures for operations. A significant portion of working capital is held in cash, significantly reducing any liquidity risk of financial instruments held by the Company.

During the three-month period ended September 30, 2023, the Company had no change in its cash balance, compared with a net cash outflow of \$308,770 for the comparable period in 2022. The outflow during the comparable period in 2022 included \$273,750 for the repurchase and cancellation of common shares of the Company, along with outflows of \$35,020 for operating purposes.

During the nine-month period ended September 30, 2023, the Company had a net cash inflow of \$133,669, compared with a net cash inflow of \$996,159 for the period from incorporation on January 24, 2022 to September 30, 2022. Financing activities (completion of the Company's IPO) provided cash of \$139,598 (2022 - \$1,062,695) and operating activities used cash of \$5,929 (2022 - cash usage of \$66,536).

Capital Resources

The Company does not have any commitments for capital expenditures.

The Company is dependent on external financing, including equity issuances and debt financing, to fund its activities. Management of the Company will determine whether to accept any offer to finance, weighing such things as the financing terms, share price at the time and current market conditions, among others. Circumstances that could impair the Company's ability to raise additional funds include general economic and capital market conditions.

On an ongoing basis, management evaluates and adjusts its planned level of activities, including planned and administrative costs, to maintain adequate levels of working capital.

Off-Balance Sheet Arrangements

Hopefield has not participated in any off-balance sheet arrangements.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

On January 9, 2023, the Company entered into a related party transaction by granting 250,000 share purchase options to directors and officers of the Company with a fair value of \$14,750.

During the period ended December 31, 2022, the Company granted 1,757,500 share purchase options to directors and officers of the Company with a fair value of \$84,995 as described in Note

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4. In addition, 218,750 of the aforementioned share purchase options were later cancelled during the period.

Changes in Accounting Policies

The Company has adopted accounting policies stated in the audited Financial Statements for the period ended December 31, 2022 and no changes to accounting policies have been made.

Financial Instruments

Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

As at September 30, 2023, Hopefield's financial instruments consisted of cash, accrued receivables, prepaid expenses and deposits and accounts payable. The fair values of Hopefield's financial instruments approximate their carrying value, due to their short-term maturities or liquidity. As at September 30, 2023, Hopefield's risk exposure and the impact on Hopefield's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high credit quality financial institutions. Management believes that the credit risk related to its cash is negligible. As at September 30, 2023, Hopefield holds cash balances at a major Canadian chartered bank and has assessed the credit risk to be low.

Foreign Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at September 30, 2023, the Company holds no financial instruments that are denominated in a currency other than Canadian dollars, and Hopefield had no financial assets and liabilities that were subject to currency translation risk.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Hopefield attempts to manage liquidity risk by maintaining sufficient cash balances and to ensure that there is sufficient capital to meet short-term obligations. As at September 30, 2023, Hopefield had a working capital balance of \$1,061,124, including cash of \$1,113,097.

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Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity and equity prices.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

Price Risk

Price risk refers to risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on earnings due to movements in individual equity prices or general movements in the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatility. Future declines in commodity prices may impact the valuation of long-lived assets. The Company does not currently hold equities or long-lived assets and as such, its earnings are not currently subject to price risk.

Critical Accounting Estimates

The preparation of the Financial Statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year included:

Stock Options

Determining the fair value of stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate, and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of shareholders' equity.