Eyecarrot Innovations Corp.
Management Discussion and Analysis
For the nine months ended November 30, 2019

Introduction

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Eyecarrot Innovations Corp.'s, (the "Company") consolidated interim financial statements for the nine months ended November 30, 2019 and 2018. This MD&A should be read in conjunction with the consolidated interim financial statements of the Company and the notes thereto for the nine months ended November 30, 2019 and 2018. The effective date of this report is January 30, 2020. The consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless expressly stated otherwise, all financial information is presented in Canadian dollars which is the Company's functional and presentation currency. On July 10, 2015, the Company began trading as Eyecarrot Innovations Corp. under the symbol "EYC". The Company also trades on the OTCQB Ventures market under the symbol EYCCF. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward-Looking Statements

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; uncertainty related to the completion of the amalgamation.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward looking statements contained herein are as of January 30, 2019 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements in this MD&A include, but are not limited to, information or statements concerning our expectations regarding the ability to raise additional funds, results of the research and development performed in relation to the products and services of the Company, positive result due to the change in business model, possibility of entering into strategic alliance, distribution agreements and other arrangements to market their products and services and possibility of producing viable products through the use of the new technologies purchased and developed.

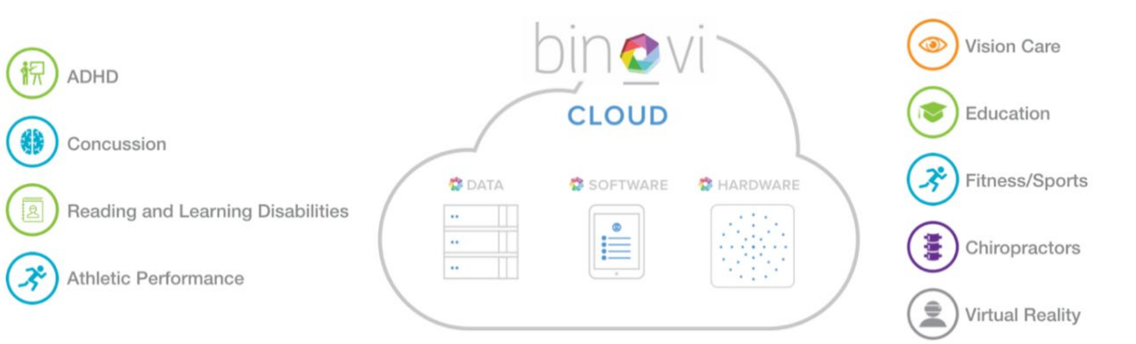
Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to early stage of technology and product development; uncertainties as to fluctuation of the stock market; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

CORPORATE OVERVIEW

Eyecarrot is a technology company focused on the importance of vision. 1 in 4 people worldwide live with issues related to their vision that go beyond visual acuity. Despite this, ophthalmic treatment primarily focuses on visual acuity issues and disease management, leaving many visual performance issues undiagnosed or mistreated. Eyecarrot was founded to bring attention to these issues, and to help those treating them by providing the tools necessary to bring treatment into the 21st century. A broader vision is vital in how we view the world around us, and we are focused on the importance of developing, protecting, and perfecting that vision. The company is transforming how vision healthcare services are integrated with human performance, including elite athletic performance.

Over the last three years the Company has been building Binovi™. Originally launched in 2017, Binovi by Eyecarrot was created to enhance the ways in which optometrists and trainers work with their patients/athletes to improve their vision and vision-related skills. Binovi's commitment is to maximize the collaboration between optometry professionals, therapists, trainers and their clients. Our goal is to serve as the foundation for constructive innovation within vision training and sports vision training/performance.

The Company has established itself as a producer of specialized vision training equipment. The Company's Binovi Platform combines software (Binovi Pro + Binovi Coach), hardware (Binovi Touch), data, expert knowledge (Binovi Academy) and insights to help patients and athletes on a global scale.



PRODUCT OVERVIEW

Commercial revenue streams are generated from the following key products and services:

Binovi Touch

A purposeful and powerful tool for vision therapy and vision training, Binovi Touch is the result of over 30 years of experience in over 1,500 practices in over 20 countries around the world on children, athletes, and seniors resolving issues from development, to performance, to rehabilitation.

The new Binovi Touch Saccadic Fixator combines the fundamental qualities of the original Wayne Engineering Saccadic Fixator with innovation in almost every dimension.

We have used new materials and components to truly evolve an already dependable and versatile tool for the 21st century, ensuring both patients and athletes can get the most out of our modernized activities. Binovi Touch is controlled through the Binovi Touch app, connecting and communicating wirelessly to provide real-time data and results. The new Binovi Touch app also includes a number of integrated tools and compatibility with many 3rd-party accessories.

Binovi Pro

The control centre of the Binovi Platform, Binovi Pro allows doctors/trainers to manage the many aspects of their patieint/athlete's vision training regimens, track progress at both macro and micro levels, and plan and assign protocols.

Binovi Pro integrates with the Binovi Touch App to record and track individual or comparative user data and allows the doctor/trainer to monitor trends and progress for everyone as a whole.

Binovi Coach

A coach ignites passion, motivates, and works with people to help them achieve their goals Binovi Coach encourages and empowers users to confidently complete their assigned activities through clear multimedia guidance.

Users stay up to date with their training regimen with automatic updates coming from Binovi Pro and can follow along with complete, step-by-step instructions including photo slideshows and video demonstrations. Each user's plan can be custom-tailored and reminders can be sent directly either connected to exercises or through secure in-app messaging.

Binovi Academy

Launched in June of 2019, Binovi Academy forms the educational hub of the Binovi Platform. Working with a pool of knowledgeable experts and industry leaders and influencers, we have created a collection of interactive, multi-media e-books that bring rich content and an engaging experience to readers. This expert knowledge is supplemented and integrated with software and hardware tie-ins. Binovi Academy content packs include testing and therapy protocols and pre-set activities for Binovi Pro, as well as custom test configurations for Binovi Touch, and more.

Binovi Academy helps tie together the four pillars of the Binovi Platform and aims to bring as much new information, tools, and techniques to users as possible. The expansion of the Binovi

Academy will expand as new relationship and partnership are formed specifically in the sports vertical.

Binovi Academy is also home to Binovi Training, the training manuals that guide users through the ins and outs of Binovi Pro, Binovi Coach, and the Binovi Touch App.

Binovi Agile

To respond to the development needs of the sports industry, Eyecarrot is bundling together several key hardware and software products to proactively and reactively respond to a developing athlete needs. This bundling consists of the Binovi Touch, Binovi Pro, Binovi Balance (Balance board) aligned with our data and expert knowledge within sports vision therapy. This is currently in its infancy, further testing and price sensitivity need to be done before a full commercial launch; anticipated towards the end of 2019.

Quality Assurance

Eyecarrot has one facility approximately 3,500 square feet in Oakville, Ontario. The facility serves as the operations hub as well as product inspection including: engineering, prototype development, design, and implementation of production Quality assurance. The Binovi Touch is currently being assembled in China.

Eyecarrot is fully qualified and certified to produce Binovi Touch Saccadic Fixators. It has been granted the required certifications according to CAN/CSA-C22.2 No. 61010-1-2012/U2:2016-04 UL 61010-1:2012/R:2016-04. The product certification system is operated by TUV SUD America Inc. under a classification, system 3 as defined in ISO/IEC 17067. Certification is based on the TUV SUD "Testing and Certification Regulations". TUV SUD America Inc. is an OSHA recognized NRTL and a Standards Council of Canada accredited certification body.

BUSINESS OPPORTUNITY

Vision Therapy captures 3% of a **$36B** Yearly Vision Market today. Vision Therapy will grow by 22% by 2020 and win 4% of the $39B Yearly Market by 2020 with organic growth. Eyecarrot's solutions enable new market entry into the Sports Performance market.

Eyecarrot's sights are set on disrupting the sports performance industry in 2020, as we receive engagement from leaders within the human performance – sport performance industry.

The size of the sports performance market reached a value of nearly **$488.5B** in 2018, having grown at a compound annual growth rate (CAGR) of 4.3% since 2014, and is expected to grow at a CAGR of 5.9% to nearly **$614.1B by 2022**[1].

Sports Vision Training (SVT) is used to help athletes achieve new heights in performance and can be an incredibly powerful tool for the prevention and rehabilitation of injuries, like concussion. SVT works on improving individual skills but, more importantly, focuses on improving how vision skills work as a whole, each supporting the others to work better together. This better situational awareness and reaction time means athletes see better, process information more

[1] https://www.reuters.com/brandfeatures/venture-capital/article?id=108299

efficiently, react faster, and are better suited to react to potential threats and dangers, reducing the chance of injury.

Much has been made of the risks and results of traumatic brain injuries suffered during play. Concussions are now being treated as the serious injury that they really are, leading to increased scrutiny and associated rate of diagnosis. Part of Sports Vision Training is being able to have a reference point from which athletes can be compared following a serious impact.

Market Outlook

With the acquisition of Whole Foods by Amazon, we have seen a new development in how technology companies are moving into new opportunities. July 2017 represented a new milestone in technology with how the big 5 companies (Apple, Amazon, Facebook, Google, Microsoft) now have a combined Market Cap of over $3 Trillion. Earlier in 2017, Apple acquired the world's top VR-AT eye tracking company SMI Technologies. Also of interest in 2017 was the merger between Luxottica and Essilor to become the global vision powerhouse in a $45B deal.

Hoya corporation has recently made a move into supporting the initiative of the binocular vision World; the company's goal of advancing binocular vision treatment through its lens technology. Hoya is a Japanese lens manufacturing company that is now worth close to $18B. They may find our initiatives interesting once we achieve some scale.

Additionally, a new industry that is growing rapidly is the e-sports market. According to Newzoo, **$906M** is the estimated revenue for all eSports for 2019. By 2021, that's **expected to grow to $1.65B**, with over a third of that (~38%) coming from North America alone. Importantly, this money is coming from a number of sources: investors, sponsorships, the audience (in the form of ticket sales and streaming subscriptions), and more. Investment, especially for sports-related eSports ventures, is coming from traditional markets like TV (ESPN) and other sports teams (the NBA, MLS, NHL, and soon MLB), in a cross-pollination of brands and fans alike. Teams are only now beginning to see the advantages of dedicated vision training.

STRATEGIC OBJECTIVES

The strategic focus in 2019 and in-to 2020 is to build Binovi into a North American leader and a global standard in supporting sports vision therapists across medical, sport, school and rehabilitation verticals.

Executive Experience/Advisory Team

The senior executive team brings experience to the business. This builds investor confidence and becomes the foundation to ensuring that all R&D as well as operations and sales decisions are based on insight, experience and a proactive approach to dealing with external challenges and competitive pressures

To build marketing credibility and gain customer support and confidence, Eyecarrot has created a strong base of advisors and content providers to contribute to the company's capabilities with the sports performance vertical.

Performance Benchmark

Eyecarrot has implemented an effective marketing and sales strategy designed to build the brand, create market awareness and generates top of the funnel leads from the Professional Sports, Collegiate Sports, Sport Medicine, Youth Athletics and Sports related verticals. This process is refined through formalized reporting, an internal communication plan and recruiting top sales talent to support the plan to hit revenue targets over the course of the next three years.

Sales growth

Eyecarrot is committed to ongoing product development and expansion, which is critical to ensuring long-term sustainability and profitability. Accordingly, we expect to initiate innovation projects targeted at related market segments (e.g., Educational Institutions, Pro and Amateur Sports, Retirement Communities) based on the foundation established by the company.

- Direct Sales Fulfillment and Inbound Sales Fulfillment
- Generate Top-of-Mind Awareness
- Qualify Top of the Funnel Leads
- Build Recurring SaaS Revenue Model

Partnership Alignment

Building partnerships and leveraging advocates within Professional Sports Teams, Collegiate Sports Teams, Youth Sports and Supporting Associations will be a key to eventual market success. EYCs active partnerships.*

Sporting Kansas City (MLS)	Tennis Canada	Logan Cusson Racing Team (F3)
GPG Elite Athlete Performance Training	xHockey Products	Elite Baseball
Swope Park Rangers (MLS)	The Chicago Cubs (MLB)	The Dodgers

*The Key factor will be to penetrate (create relationships) with the sports teams/organizations and affiliate them with our technology. Once we can demonstrate that Pro Teams have successfully implemented Binovi into their training facility, the ability to develop further relationships rises. The Company has multiple ongoing conversations for future partnerships that will strengthen product demand.

Competitor Summary

This is a competitive market with new technology driven entrants that are making headway. Namely: Right Eye, Senaptec, Vivid Vision, FitLight and Neurotracker.

Fulfillment Centers

Obtaining strategically aligned partners will be the key to scaling the product sales, the business and extending the brand globally. Currently Eyecarrot hosts fulfillment partners within Denmark, Germany, Spain, India, Hong Kong and Australia. We expect 65% - 80% of our business to be in North America.

COMPANY OUTLOOK

We are building our brand, Binovi, to solve a human condition that relates to the visual system, in particular how humans develop stereo vision (the crown jewel of the visual system as it requires left and right brain alignment). Our IP gives us a leading position of understanding where our industry is going, as well as mapping out how to use all the existing technology developments of "today" to apply to this industry. As we work to help thousands of people, followed by millions of people, it will be the company's goal to be on the radar of one of the large 5 technology companies, that can really help billions of people. Once we have some basic scale with our hardware rollout and software expansion, we will be able to leverage technology such as AI to advance our understanding of the data and human performance.

Of significant importance for us is the potential for insurance company coverage of binocular vision treatment. With our systematic approach to data capture, we should be able to provide significant outcome data and protocols for treatment of various visual conditions. Eyecarrot will work to expand access to vision training by targeting large corporate insurance plans for "employee benefits/child benefits". It won't be long before we have significant data demonstrating the treatment of ADHD conditions with vision training.

Selected Annual Information

The following table sets forth selected audited financial information of the Company for the last three completed financial periods:

	February 28, 2019	February 28, 2018	February 28, 2017
Revenue	$666,721	$98,885	$97,022
Net Loss	($4,772,995)	($2,712,766)	($4,335,789)
Loss Per Share – basic and diluted	(0.48)	(0.41)	($0.80)
Total Assets	$4,900,261	$1,679,663	$2,267,268

The increase in net loss from 2018 to 2019 was primarily due to the increase in costs, which includes consulting fees for $1,158,383 (2018: $747,173), marketing fees for $371,888 (2018: $nil), investor relations for $157,385 (2018: $nil), research and product development for $439,778 (2018: $187,885) and non-cash share-based payments for $619,107 (2018: $45,854)

Revenue has increased significantly by $567,836 from 2018 to 2019, due in large to the commercialization of Binovi Touch (March 2018). The Company transitioned away from the older generation Wayne Engineering products to be replaced with the new generation Binovi Touch. There has been a high demand for a re-engineered product for the past couple of years, enabling wireless connectivity through a hand-held device, greater flexibility, control, and most importantly data collection for each patient/athlete. Paired with the features of the entire Binovi Platform, Eyecarrot has created the leading visual and neuro-cognitive processing tool.

In April of 2017, Eyecarrot secured and re-engineered the Wayne Saccadic Fixator Technology produced by Wayne Engineering; the Binovi Touch was created. Initially labelled the Binovi Saccadic Fixator, the first generation of the Binovi Touch was refined and released for purchase after six months of delay through a limited pre-order opportunity. The initial 50 units released were sold out immediately. In line with the company's policy, the company issued formal assurances to their pre-order clientele to replace any first-generation saccadic units, as a pre-order incentive, in the event additional refinements were implemented within 12 months of purchase. August 2018 marked the release of the second-generation of Binovi Touch through multiple waves of product deliveries to accommodate the great demand for the further refined fixator units. Accordingly, initial first-generation units issued through pre-order are to be replaced by the end of 2019, as per the company's purchase incentive. At fiscal year-end, 214 units of Binovi Touch had been distributed and 95 units remained in inventory. The company is continuously refining the current generation of the Binovi Touch with the hopes to apply new innovations to its current product offerings.

Warranty Provision - The Company guarantees each Binovi Touch sold for a period of 1 year after the product has been delivered. The Company has recorded a warranty obligation and expense of $113,429 as at February 28, 2019 (2018: $nil). The warranty obligation and warranty expense relate to first generation Binovi Touch units, the Company is planning on replacing the 1st generation with the 2nd generation units within twelve months after year end.

During the year ended February 28, 2019 the Company's net loss was $4,772,995 compared to net loss of $2,712,766 in 2018. The increases in costs were due to more activities involving consulting, marketing, investor relations and travel and promotion of the Company's next generation products. In addition, registration and filing fees increased from $36,680 in 2018 to $85,010 in 2019 due to additional costs for filing associated with additional raise of funds. Share based payment being a non-cash expense increased from $45,854 in 2018 to $619,107 in 2019 due to the vesting of options issued in prior year where the fair value is being amortized over the vesting period.

Summary of Quarterly Results

The following table sets forth selected information from the Company's unaudited quarterly financial statements prepared in accordance with IFRS for the most recent eight quarters.

For the quarters ended:

	August 31, 2019	**August 31, 2019**	**May 31, 2019**	**February 28, 2019**
Total Revenue	$137,759	$208,498	$205,287	$134,645
Net Loss	($1,097,957)	($956,927)	($1,770,511)	($854,287)
Loss Per Share (Basic & Diluted)	($0.08)	($0.08)	($0.15)	($0.10)

	November 30, 2018	**August 31, 2018**	**May 31, 2018**	**February 28, 2018**
Total Revenue	$237,354	$211,594	$83,128	($6,578)
Net Loss	($1,127,967)	($984,738)	($1,700,588)	($1,001,069)
Loss Per Share (Basic & Diluted)	($0.10)	($0.11)	($0.20)	($0.20)

During the three months ended November 30, 2019, the Company's net loss was $1,097,957 compared to $1,127,967 in 2018. Investor relations services increased from $nil in 2018 to $212,350 being costs of investor services being expensed from prepaid expenses from year end, management fees increased from $82,544 in 2018 to $195,750 due to more involvement of management in business operations , office and rent decreased from $85,073 in 2018 to $44,631 due to relocation of office space, travel and promotion marginally decreased from $95,061 in 2018 to $82,530 due to lower promotion activities, research and product development decreased from $180,465 in 2018 to $1,538 due to lower research activities, and consulting expenses decreased from $553,308 in 2018 to $174,589 due to reduced need for services provided by external consultants.

During the three months ended November 30, 2019, revenue was lower with the prior quarter from $237,354 in 2018 to $137,759.

During the nine months ended November 30, 2019, the Company's net loss was $3,825,395 compared to $3,918,708 in 2018. Professional fees increased from $55,745 in 2018 to $139,907 due to increased costs associated with legal services and tax consulting, bank charges and interest increased from $8,269 in 2018 to $27,057, management fees increased from $186,494 in 2018 to $314,750 due to more involvement of management in business operations, office and rent decreased from $211,915 in 2018 to $131,381 due to relocation of office space, travel and promotion decreased from $427,711 in 2018 to $241,496 due to lower promotion activities, salaries decreased from $496,631 in 2018 to $338,383 due to decrease in operational personnel, research and product development decreased from $510,523 in 2018 to $276,864 due to lower research activities, and consulting expenses decreased from $1,716,092 in 2018 to $1,058,815 due to reduced need for services provided by external consultants.

During the nine months ended November 30, 2019, revenue increased from $532,076 in 2018 to $551,544. The increase of revenue was mainly attributable to the revenue recognized from the sale of the Company's Binovi Touch product.

Capital Resources and Liquidity

At November 30, 2019, the Company had cash of $1,349,199 (February 28, 2019 - $2,156,338) and working capital of $1,349,352 (February 28, 2019 - $2,550,391). The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. Management has evaluated the Company's alternatives to enable it to pay its liabilities as they become due and payable in the next twelve-month period, including reducing or postponing expenditures and obtaining additional financing in order to advance the proposed transaction. The Company has relied on equity financing to fund its research and general operations since inception. The Company raised additional equity to provide liquidity for it to continue as a going concern throughout fiscal 2020 (Refer to subsequent events).

The Company's cash are highly liquid and held at a major Canadian financial institution.

		Increase/(Decrease) in Cash for the Nine Months Ended		
		November 30, 2019		**November 30, 2018**
Operating Activities	$	(3,065,139)	$	(3,090,038)
Investing Activity		-		-
Financing Activities		2,258,000		6,735,434
Total Change in Cash		(807,139)		3,645,396
Cash, Beginning of the Period		2,156,338		180,615
Cash, End of the Period	$	1,349,199	$	3,826,011

Operating Activities

Cash used in operating activities primarily consist of selling, general and administrative expenditures. The $3,065,139 use of cash for operating activities for the nine months ended November 30, 2019 is mainly attributable to the increased corporate activities related to the launch of the Company's new products and services.

Investing Activity

$nil cash used in investing activity for the nine months ended November 30, 2019 and 2018.

Financing Activities

Cash from financing activities for the nine months ended November 30, 2019 was attributable to the private placement proceeds of $2,250,000 and a temporary loan due on demand for $8,000.

On November 27, 2019, 15,000,000 units were issued at $0.15 per unit for gross proceeds of $2,250,000. Each unit comprised of one common share and one common share purchase warrant, with each warrant exercisable into one common share for a period of 24 months at an exercise price of $0.30.

Cash from financing activities for the nine months ended November 30, 2018 was attributable to the proceeds from completion of non-brokered private placement of common shares for $5,749,760 and proceeds of warrants exercised for $1,079,050.

Management has been successful in accessing the equity markets in the current and prior periods, but there is no assurance that such sources will be available, on acceptable terms, or at all in the future. Factors which could impact management's ability to access the equity markets include the state of capital markets, market prices and market interest for the Company's new direction as a technology company.

Related Party Transactions

Key management comprises directors and executive officers. The Company did not pay post-employment benefits and long-term benefits to key management. The following compensation was paid to key management:

	Nine months ended November 30, 2019	Nine months ended November 30, 2018	Three months ended November 30, 2019	Three months ended November 30, 2018
Management fees	$ 314,750	$ 186,494	$	$ 82,544
Research and product Development costs	45,820	-	-	-
Salaries	187,500	112,500	62,500	37,500
Share-based payments	76,165	-	14,265	-
	$ 624,235	**$ 298,994**	**$**	**$ 120,044**

The Company entered into the following transactions with related parties for the nine months ended November 30, 2019:

i) Paid or accrued management fees of $257,500 to the President and CEO of the Company, which includes a bonus for $125,000;
ii) Paid or accrued research and product development costs of $45,820 to a Company owned by the President and CEO of the Company.
iii) Paid or accrued management fees of $57,250 to the CFO of the Company;
iv) Paid or accrued salary of $187,500 to a director and officer of the Company; and
v) Expensed share-based payments of $76,165 to directors and officers of the Company.

As at November 30, 2019, $83,651 is included in accounts payable and accrued liabilities owing to those directors and officers for consulting fees and expense reimbursements.

Research and Product Development

During the nine months ended November 30, 2019, the Company incurred $276,864 (2018 - $510,523) in research and product development expenditures.

Share Capital and Disclosure of Outstanding Share Data

As at November 30, 2019, the authorized share capital was an unlimited number of common shares and there were 27,042,648 common shares issued and outstanding (February 28, 2019 – 12,042,648).

During the three- month period ended May 31, 2019, the Company consolidated the common shares of the Company on a ten to one basis. These consolidated financial statements reflect the share consolidation retroactively.

Stock Options and Warrants

The following summarizes information on the number of stock options outstanding at November 30, 2019 and November 30, 2018:

Expiry Date	Exercise Price	**November 30, 2019**	**November 30, 2018**
February 17, 2022	$ 2.50	666,000	666,000
February 16, 2023	$ 1.70	489,000	489,000
		1,155,000	1,155,000

The remaining contractual life for the outstanding options at August 31, 2019 is 2.64 (2018 – 3.64) years.

A summary of outstanding share purchase warrants is as follows:

Expiry Date	Exercise Price	**November 30, 2019**	**November 30, 2018**
December 6, 2018	$ 1.50	-	20,000
November 24, 2019(1)	$ 2.00	-	13,500
November 24, 2019	$ 2.00	-	1,600,000
March 20, 2020	$ 3.00	271,167	271,167
April 20, 2020	$ 3.00	478,673	478,673
April 20, 2020(2)	$ 3.00	7,000	7,000
November 8, 2020(3)	$ 3.00	7,000	7,000
November 8, 2020	$ 3.00	1,305,556	2,611,111
November 26, 2021	$0.30	15,000,000	-
		17,069,396	5,003,451

(1) The fair value of these finders' warrants of $16,268 was recorded as share issuance costs estimated using the Black-Scholes option pricing model with the following assumptions: volatility of 82.26%, risk-free rate of 2.00%, expected life of 2 years and expected dividend yield of 0.00%.

(2) The fair value of these finders' warrants of $8,118 was recorded as share issuance costs estimated using the Black-Scholes option pricing model with the following assumptions: volatility of 87.74%, risk-free rate of 2.00%, expected life of 2 years and expected dividend yield of 0.00%.

(3) The fair value of these finders' warrants of $5,076 was recorded as share issuance costs estimated

using the Black-Scholes option pricing model with the following assumptions: volatility of 98.93%, risk-free rate of 2.33%, expected life of 2 years and expected dividend yield of 0.00%.

Outstanding Share Data

As of November 30, 2019, the Company's fully diluted shares outstanding is as follows:

Common shares	27,042,648
Options	1,155,000
Warrants	17,069,396
Fully diluted shares outstanding	45,267,044

As at November 30, 2019, 15,000,000 shares (February 28, 2019-nil shares) are held in escrow.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions except for the transaction described in the Description of Business and Overview.

Subsequent Events

On December 12, 2019, the Company announced that it has granted an aggregate of 2,500,000 incentive stock options to employees, directors, consultants and officers of the Company. Each option entitles the holder to purchase one common share of the Company at an exercise price of $0.30 for a period of 2 years. All options were granted in accordance with the Company's stock option plan.

On January 6, 2020, the Company announced the closing of a non-brokered private placement for total proceeds of $1,950,000. The Company issued a total of 13,000,000 units at $0.15 per unit, each unit comprised of one common share of the Company (a (a "Share") and one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will entitle the holder thereof to purchase one Share (each, a "Warrant Share") at an exercise price of $0.30 per Warrant Share at any time up to 24 months following the closing date of the Offering (the "Closing Date"). The warrants are subject to an acceleration clause whereby if the common share price is equal to or greater than CDN $0.60 for a period of 5 consecutive trading days (at any time at or following the expiry of the four months resale restriction period), the Company may, by notice to the warrant holder reduce the remaining exercise period applicable to the warrants to not less than 30 days from the date of such notice.
Aggregate finder's fees of $20,010.20 in cash and 133,401 finder's warrants each having the same terms as the Warrants.
The Private Placement was closed in two tranches with an aggregate of 3,239,065 units issued on December 23, 2019 and the balance of 9,760,935 units issued on January 3, 2020.
Insiders participated in the Private Placement acquiring an aggregate of 1,133,334 units on the same basis as other subscribers.

On January 7, 2020, the Company announced that it has filed an application with the TSX Venture Exchange ("TSX-V") to amend the terms of certain share purchase warrants of the Company originally issued on March 20, 2018 and April 27, 2018. A total of 271,167 share purchase warrants were originally issued by the Company pursuant to the closing of the equity offering on March 20, 2018. Each share purchase warrant entitled the holder to purchase one common share of the company at a price of $3.00 per common share. A total of 271,167 of these Warrants remain outstanding as of this date and are scheduled to expire on March 20, 2020. A total of 478,673 share purchase warrants were originally issued by the Company pursuant to the closing of the equity offering on April 27, 2018. Each share purchase warrant entitled the holder to purchase one common share of the company at a price of $3.00 per common share. A total of 478,673 of these Warrants remain outstanding as of this date and are scheduled to expire on April 27, 2020.

The Company is seeking the approval of the TSX Venture Exchange to reduce the exercise price of the Amended Warrants to $0.45 per share or such other price as may be acceptable to the TSX Venture Exchange. The expiry date of each warrant will be amended to, March 20, 2021 and April 27, 2021.
No insiders of the Company hold any of the Warrants issued pursuant to the March and April private placements.

Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of financial position, and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates appear throughout the financial statements and may require adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other relevant factors that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position reporting date, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- recoverability of accounts receivable and deposits;
- determination of accrued liabilities;
- estimated useful lives and amortization and depreciation rates of equipment and intangible assets;
- the assumptions used in assessing the fair value of non-cash consideration and the assets and liabilities acquired from business combination and asset acquisitions;
- the recognition, recoverability and measurement of deferred income tax assets;
- the assumptions used in the calculation of the fair value assigned to share-based payments, including options and warrants; and
- the determination of the recoverable value for goodwill.
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Critical accounting judgments

Management must make judgments for items included in the consolidated financial statements. Judgments involve a degree of uncertainty and could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual events differ from a judgment made. A summary of items involving management judgment include, but are not limited to:

- the determination of the Company's and its subsidiary's functional currency which requires management's assessment of the primary economic environment in which the entities operate;
- the determination of the categories in which financial assets and liabilities are classified;
- the assessment of the Company's ability to continue as a going concern involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances;
- the determination whether there are any indicators, both internal and external, of impairment and any resulting recoverable value assessment for intangible assets held by the Company; and
- the determination whether costs to develop products that will be sold should be capitalized to the extent that the criteria for the recognition as intangible assets in accordance with IAS 38, Intangible Assets, are met.

New Accounting Standards Adopted

The following accounting standard has been adopted as at March 1, 2019 in accordance with the transitional provisions outlined in the standard.

IFRS 16 *Leases*

This new standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease.

The main features of the new standard are as follows:

- An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets.
- A lease asset is initially measured at cost, and is then depreciated similarly to property, plant and equipment. A lease liability is initially measured at the present value of the unpaid lease payments.
- A lessee presents interest expense on a lease liability separately from depreciation of a lease asset in the statement of profit or loss and other comprehensive income.
- A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly.
- A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

The new standard supersedes the requirements in IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases – Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The impact of this new standard will not result in any additional assets or liabilities to be recorded as all leases are either month to month or expire in less than 12 months from February 28, 2019.

Management of financial risk

The types of risk exposure and the Company's methods of managing the risks remain consistent and are as follows:

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will significantly fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, foreign currency rates and other price risk.

(i) Interest rate risk

The Company is not subject to significant interest rate risk with respect to its financial instruments.

(ii) Currency risk

The Company is not exposed to significant currency risk on its financial instruments at year-end. The Company's reported earnings include gain/losses on foreign exchange, largely reflecting revaluation of its foreign operations. The future foreign exchange gain or loss would change based on the level of foreign operating activities.

(ii) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices. The Company is not exposed to significant other price risk on its financial instruments.

(b) 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 and arises principally from the Company's cash. The Company limits exposure to credit risk through maintaining its cash with high-credit quality Canadian and US financial institutions. The Company is exposed to significant credit risk on its trade receivables. The carrying amount of financial assets represents the maximum credit exposure.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations, anticipated investing and financing activities, and through management of its capital structure. All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 90 days.

Risks and Uncertainties

The Company has changed its business from mineral exploration and development to health and technology development. It has commenced commercial production.

Additional Financing

The Company does not have adequate revenue to fund all its operational needs and may require additional financing to continue its operations if it is unable to generate substantial revenue growth. There can be no assurance that such financing will be available at all or on favorable terms. Failure to generate substantial revenue growth may result in the Company looking to obtain such additional financing could result in delay or indefinite postponement of the Company's deployment of its products, resulting in the possible dilution. Any such financing will dilute the ownership interest of the Company's shareholders at the time of the financing and may dilute the value of their shareholdings.

General Venture Company Risks

The common shares must be considered highly speculative due to the nature of the Company's business, the early stage of its deployment, its current financial position and ongoing requirements for capital. An investment in the common shares should only be considered by those persons who can afford a total loss of investment and is not suited to those investors who may need to dispose of their investment in a timely fashion. Investors should consult with their own professional advisors to assess the legal, financial and other aspects of an investment in common shares.

Uncertainty of Revenue Growth

There can be no assurance that the Company can generate substantial revenue growth, or that any revenue growth that is achieved can be sustained. Revenue growth that the Company has achieved or may achieve may not be indicative of future operating results. In addition, the Company may increase further its operating expenses in order to fund increase its sales and marketing efforts and increase its administrative resources in anticipation of future growth. To the extent that increases in such expenses precede or are not subsequently followed by increased revenues, the Company's business, operating results and financial condition will be materially adversely affected.

Dependence on Management and Key Personnel

The Company is dependent on certain members of its management. The loss of the services of one or more of them could adversely affect the Company. The Company's ability to maintain its competitive position is dependent upon its ability to attract and retain highly qualified managerial, specialized technical, manufacturing, sales and marketing personnel. There can be no assurance that the Company will be able to continue to recruit and retain such personnel. The inability of the Company to recruit and retain such personnel would adversely affect the Company's operations and product development.

Dependence on Key Suppliers

The Company currently has multiple suppliers in Canada and China for each of the component parts and raw materials required to assemble the Company's finished products. There is a potential risk that, from time to time, the Company could face a shortage of parts and raw materials in the future if the Company's suppliers are unable to support current or increased customer demand for the Company's products. This could have a material negative impact on the business development plans of the Company, its revenues and continued operations.

Product Liability

The Company may be subject to proceedings or claims that may arise in the ordinary conduct of the business, which could include product and service warranty claims, which could be substantial. If its products fail to perform as warranted and it fails to quickly resolve product quality or performance issues in a timely manner, sales may be lost and it may be forced to pay damages. Any failure to meet customer requirements could materially affect its business, results of operations and financial condition. The occurrence of product defects and the inability to correct errors could result in the delay or loss of market acceptance of its products, material warranty expense, diversion of technological and other resources from its product development efforts, and the loss of credibility with customers, manufacturer's representatives, distributors, value added resellers, systems integrators, original equipment manufacturers and end-users, any of which could have a material adverse effect on the Company's business, operating results and financial conditions.

Marketing and Distribution Capabilities

In order to commercialize its technology, the Company must either acquire or develop an internal marketing and sales force with technical expertise and with supporting distribution capabilities or arrange for third parties to perform these services. In order to market certain of its products, the Company must either acquire or develop a sales and distribution infrastructure. In order to maximize sales of other products, the Company may determine that it needs to either acquire or develop a sales and distribution infrastructure. The acquisition or development of a sales and distribution infrastructure would require substantial resources, which may divert the attention of its management and key personnel and defer its product development and deployment efforts. To the extent that the Company enters into marketing and sales arrangements with other companies, its revenues will depend on the efforts of others. These efforts may not be successful. If the Company fails to develop substantial sales, marketing and distribution channels, or to enter into arrangements with third parties for those purposes, it will experience delays in product sales and incur increased costs.

Rapid Technological Development

The markets for the Company's products and services are characterized by rapidly changing technology and evolving industry standards, which could result in product obsolescence or short product life cycles. Accordingly, the Company's success is dependent upon its ability to anticipate technological changes in the industries it serves and to successfully identify, obtain, develop and market new products that satisfy evolving industry requirements. There can be no assurance that the Company will successfully develop new products or enhance and improve its existing products or that any new products and enhanced and improved existing products will achieve market acceptance. Further, there can be no assurance that competitors will not market products that have perceived advantages over the Company's products or which render the products currently sold by the Company obsolete or less marketable. Regardless of the Industry as a whole, the less lethal sector moves somewhat slower in the adaptation and integration of new products.

The Company must commit significant resources to developing new products before knowing whether its investments will result in products the market will accept. To remain competitive, the Company may be required to invest significantly greater resources then currently anticipated in research and development and product enhancement efforts and result in increased operating expenses.

Competition

The Company's industry is competitive and composed of many foreign companies. The Company has experienced and expects to continue to experience, substantial competition from numerous competitors whom it expects to continue to improve their products and technologies. Competitors may announce and introduce new products, services or enhancements that better meet the needs of end-users or changing industry standards, or achieve greater market acceptance due to pricing, sales channels or other factors. Competitors may be able to respond more quickly than the Company to changes in end-user requirements and devote greater resources to the enhancement, promotion and sale of their products.

Intellectual Property

The Company's ability to compete effectively will depend, in part, on its ability to maintain the proprietary nature of its technology and manufacturing processes. Although the Company considers certain of its product designs as well as manufacturing processes involving certain of its products to be proprietary, patents or copyrights do not protect all design and manufacturing processes. The Company has adopted procedures to protect its intellectual property and maintain secrecy of its confidential business information and trade secrets. However, there can be no assurance that such procedures will afford complete protection of such intellectual property, confidential business information and trade secrets. There can be no assurance that the Company's competitors will not independently develop technologies that are substantially equivalent or superior to the Company's technology.

To protect the Company's intellectual property, it may become involved in litigation, which could result in substantial expenses, divert the attention of its management, cause significant delays and materially disrupt the conduct of its business.

Infringement of Intellectual Property Rights

While the Company believes that its products and other intellectual property do not infringe upon the proprietary rights of third parties, its commercial success depends, in part, upon the Company not infringing intellectual property rights of others. Some of the Company's competitors and other third parties have been issued or may have filed patent applications or may obtain additional patents and proprietary rights for technologies similar to those utilized by the Company. Some of these patents may grant very broad protection to the owners of the patents. The Company has not undertaken a review to determine whether any existing third- party patents or the issuance of any third- party patents would require the Company to alter its technology, obtain licenses or cease certain activities. The Company may become subject to claims by third parties that its technology infringes their intellectual property rights due to the growth of products in its target markets, the overlap in functionality of those products and the prevalence of products. The Company may become subject to these claims either directly or through indemnities against these claims that it provides to end-users, manufacturer's representatives, distributors, value added resellers, system integrators and original equipment manufacturers.

Litigation may be necessary to determine the scope, enforceability and validity of third- party proprietary rights or to establish the Company's proprietary rights. Some of its competitors have, or are affiliated with companies having, substantially greater resources than the Company and these competitors may be able to sustain the costs of complex intellectual property litigation to a greater degree and for a longer period of time than the Company. Regardless of their merit, any such claims could be time consuming to evaluate and defend, result in costly litigation, cause product shipment delays or stoppages, divert management's attention and focus away from the business, subject the Company to significant liabilities and equitable remedies, including injunctions, require the Company to enter into costly royalty or licensing agreements and require the Company to modify or stop using infringing technology.

The Company may be prohibited from developing or commercializing certain technologies and products unless it obtains a license from a third party. There can be no assurance that it will be able to obtain any such license on commercially favorable terms or at all. If it does not obtain such a license, it could be required to cease the sale of certain of its products.

Health and Safety

Health and safety issues related to its products may arise that could lead to litigation or other action against the Company or to regulation of certain of its product components. The Company may be required to modify its technology and may not be able to do so. It may also be required to pay damages that may reduce its profitability and adversely affect its financial condition. Even if these concerns prove to be baseless, the resulting negative publicity could affect the Company's ability to market certain of its products and, in turn, could harm its business and results from operations.

Stress in the global financial system may adversely affect the Company's operations in ways that may be hard to predict or to defend against

Recent events have demonstrated that businesses and industries throughout the world are very tightly connected to each other. Thus, events seemingly unrelated to the Company, or to its industry, may adversely affect its finances or operations in ways that are hard to predict or defend against. For example, credit contraction in financial markets may hurt the Company's ability to access credit when it is needed or rapid changes in foreign exchange rates may adversely affect financial results. Finally, a reduction in credit, combined with reduced economic activity, may adversely affect businesses and industries that collectively constitute a significant portion of the Company's customer base. As a result, these customers may need to reduce their purchases of the Company's products, or there may be greater difficulty in receiving payment for the products that these customers purchase from the Company. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the business, operating results, and financial condition.

Dividend Policy

The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future. The future dividend policy of the Company will be determined by its directors.

Lack of Active Market

There can be no assurance that an active market for the common shares will continue and any increased demand to buy or sell the common shares can create volatility in price and volume.

Market Price of Common Shares

There can be no assurance that an active market for the common shares will be sustained. Securities of small and midcap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include global economic developments and market perceptions of the attractiveness of certain industries. The price per common share is also likely to be affected by change in the Company's financial condition or results of operations as reflected in its quarterly filings. Other factors unrelated to the performance of the Company that may have an effect on the price of common shares include the following: the extent of analytical coverage available to subscribers concerning the business of the Company may be limited if investment banks with research capabilities do not follow the Company's securities; lessening in trading volume and general market interest in the Company's securities may affect a subscriber's ability to trade significant numbers of common shares, the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; a substantial decline in the price of the common shares that persists for a significant period of time could cause the Company's securities to be delisted from the exchange, further reducing market liquidity. If an active market for the common shares does not continue, the liquidity of a subscriber's investment may be limited, and the price of the common shares may decline. If such a market does not develop, subscribers may lose their entire investment in the common shares.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting the sale of the Company's products. This may affect the Company's ability to ship product in the future. The possibility that future governments may adopt substantially different policies, may also affect the Company's operations.

Potential Conflicts of Interest

The directors and officers of the Company may serve as directors and/or officers of other public and private companies and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers of the Company may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The laws of British Columbia, Canada, require the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders. However, in conflict of interest situations, directors and officers of the Company may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions.

Management's Responsibility for Financial Information

The Company's consolidated financial statements and the other financial information included in this management report are the responsibility of the Company's management and have been examined and approved by the Board of Directors. The consolidated financial statements were prepared by management in accordance with IFRS and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities.

The Board of Directors supervises the consolidated financial statements and other financial information through its audit committee, which is comprised of a majority of non-management directors.

This committee's role is to examine the consolidated financial statements and recommend that the Board of Directors approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.