GOODBODY HEALTH LIMITED (FORMALLY GOODBODY HEALTH INC. and SATIVA WELLNESS GROUP INC.)

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF
OPERATIONS FOR THE NINE MONTHS ENDED September 30, 2022

FORM 51-102F1

Contents

DATE AND SUBJECT OF REPORT

The following Management Discussion & Analysis ("**MD&A**") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of GOODBODY HEALTH LIMITED (hereinafter "**Goodbody**" or the "**Company**") for the nine months ended September 30, 2022.

This MD&A has been prepared with an effective date of November 10th, 2022 the date it was authorised for issue by the board of directors and should be read in conjunction with the Company's September 30, 2022 unaudited consolidated financial statements as filed on SEDAR.

SCOPE OF ANALYSIS

The following is a discussion and analysis of Goodbody Health Limited (formerly Goodbody Health Inc. and Sativa Wellness Group Inc.). The Company reports its financial results in British pounds and in accordance with International Financial Reporting Standards ("**IFRS**"). All reported financial information includes the financial results of the Company and its subsidiaries. This MD&A is presented in British pounds unless otherwise stated.

On 10th January 2022 the Company announced a change of name to Goodbody Health Inc. to align the parent company with its main brand name "Goodbody" and its trading subsidiaries "Goodbody Wellness Ltd" and "Goodbody Botanicals Ltd".

On 19th August 2022, the Company redomiciled from Canada to Guernsey with a change to its name to Goodbody Health Limited, register number 70962.

The Company's voluntary delisting from the CSE occurred at the close of trading on August 17, 2022, and is currently operating a branch register to allow shareholders to transfer shares to the Company's new main listing on the AQSE in London.

The company also completed a ten for one share consolidation on 18th August 2022. Following the consolidation, the Company has 36,496,276 Ordinary Shares issued and outstanding.

DESCRIPTION OF BUSINESS

Goodbody Health Limited is a publicly traded corporation incorporated in Canada and redomiciled to Guernsey with offices located at The Blue Building, Stubbs Lane, Beckington, Somerset, BA11 6TE, UK. The Company's ordinary shares are traded on the Apex segment of the AQSE Growth Market ("**AQSE**"), under the trading symbol "GDBY", and are quoted on the over-the-counter ("**OTC**") QB market in the United States under the trading symbol "GDBYF".

What We Do

Our Vision

Goodbody Group's vision is to be recognised as one of the leading health & wellness companies in the territories that it operates. Goodbody is an aggregator of the highest quality, most innovative range of health services and products which include blood tests, genome tests, COVID tests, other diagnostic tests, and CBD products to meet today's fast evolving consumer expectations. We plan to expand our distribution network and relevant partnerships to provide these high-quality health products and services in the UK and Europe.

Goodbody Botanicals Products

Goodbody Health Group produces an entirely EU-based compliant CBD product and is accredited with ISO2002, Hazardous and Critical Control Process ("**HACCP**") and Good Manufacturing Practices (**GMP**) certificates which greatly increases the value of an extraction Company's products.
The Company's CBD operations comprise extraction and formulation facilities in Poland, and sales and marketing in the UK and Poland, supporting 4 Pillars of the product range: Sleep, Restore, Calm, and Relief.

Activities include:

- CBD extraction, wholesale bulk isolate and distillate sales from the Olimax factory in Poland
- Offering White Label & Wholesale products across the range
- Distribution in the European market
- Product Range Development

Our CBD products are positioned as 'Best Quality, Best Price - Guaranteed', underpinning our positioning with a membership model offering the cheapest CBD prices that can be found in the UK market today. Guaranteed quality and prices to the consumer or their money back.

This enables the Group to generate long term predictable revenues with the opportunity to build loyalty to the brand. The quality is re-enforced through the processes undertaken to manufacture the products and the in-house scientific and quality team and substantiated through evidence based on customer reviews, Trust Pilot reviews and research articles.

Goodbody's focus is the European marketplace, which comprises the UK, the EU and the rest of Europe. The UK is the leading consumer market for retail CBD products, followed by countries

such as Italy and Germany, with strong growth in emerging CBD markets such as Poland and the Czech Republic. Sativa Wellness Poland is producing a broader range of cosmetic products for the EU and UK market.

Goodbody Health products included on FSA Novel Food Register

CBD extract and isolate products were confirmed as novel food products in January 2019. Under the novel food regulations. Foods or food ingredients which do not have a history of consumption before May 1997 should be evaluated and authorised through the Novel Foods submission process before they can be placed on the market. This process ensures novel food products meet legal standards, including safety and content.

To bring the current market into compliance, the FSA asked the industry to submit retrospective applications, for CBD products which were on sale on 13 February 2020. Goodbody submitted ingestible products that were sold prior to this date and unlike many CBD companies we submitted our own CBD formulations rather than 3rd party formulations. On 31st March 2022 following the UK Food Standard Agencies (FSA) publication of the Novel Foods approved list for CBD, the Company's application has been authorised by the FSA on the Awaiting Evidence List. This means the FSA are now awaiting the final toxicology results and are satisfied with all the other evidence submitted at which point the Company will progress onto the final Validated list. The Company has also drafted an application to the European equivalent body the ESFA but is waiting for the final requirements to be clarified.

The Company welcomes this increased compliance in the sector as the new regulations ensure that only fully compliant products are placed on the market. Those not included on these FSA Novel Food Validated or Awaiting Evidence lists will have to be taken off sale. Consumers can visit https://ukcbdlist.com, a site run by the Association for the Cannabinoid Industry (ACI), to see if a brand is compliant.

PhytoVista Laboratories

Phytovista is a leading accredited cannabinoid testing laboratory which tests CBD and hemp derived products. PhytoVista Laboratories has been granted accreditation to ISO/IEC 17025:2017, general requirements for the competence of testing and calibration laboratories granted by United Kingdom Accreditation Service (UKAS), the UK governments appointed National Accreditation Body. Accreditation to ISO/IEC 17025 plays an important role in supporting the provision of accurate and reliable results from laboratory testing, calibration, sampling, and measurement services.

The Company's custom-built, state-of-the-art laboratories in the UK and Poland use stringent methodology to ensure delivery of accurate results, compliance, and the highest quality.

Phytovista Laboratories achieved another significant milestone with an extension to its ISO 17025 UKAS accreditation on 7th February 2022 with a test to meet Government Chemist and the Advisory Council on the Misuse of Drugs ("ACMD") Guidance, one of a very small number of laboratories accredited for this type of testing.

On 11th April 2022 Phytovista Laboratories was also granted a UK Home Office controlled drugs license that allows the company to handle up to Schedule 1 Controlled Drugs and is now one of a small number of laboratories accredited by the UK National Accreditation Service (UKAS) with extended provisions to carry out these specialist activities.

PhytoVista laboratories is now ideally positioned to help CBD companies achieve compliance by providing data in accordance with the ACMD guidance on acceptable levels of controlled cannabinoids in consumer products.

It comes as no surprise that CBD markets continue to be challenged, as evidenced by the global values in CBD based stocks. The CBD sector has not been as fruitful as originally predicted and the sales growth position ebbed away during the pandemic.
The Goodbody Board concluded that strategically we needed to diversify into additional revenue streams to maintain liquidity and add value to the Company and share price. Our evolvement in Health & Wellness testing, including Covid19, blood, genetics and ear micro suction is proving to be essential and validatory.

Goodbody Wellness Services

COVID-19 Testing – Initial growth through PCR testing

In November 2020, the Company announced the opening of the Goodbody Clinic in the Company's Goodbody Wellness store in Bath, UK. Since then, the company had grown to a network of clinics, mainly based in pharmacies, providing COVID PCR, antigen and antibody testing for those who want to find out if they have had COVID 19 and to see if they have developed antibodies. Customers book an appointment online and attend in-clinic to undertake a test administered by a trained medical professional which is sent to accredited laboratories.

The COVID-19 pandemic amplified the need for change in the provision of diagnostic services and has also provided an opportunity for this change. Many beneficial changes in relation to diagnostic pathways, such as increased use of virtual consultations and community services, are consistent with our growth strategy. This laid the foundation for the business to develop into other diagnostics.

Revenue in the Online Doctor Consultations segment is projected to reach £474.40m in 2022 with an annual growth rate (CAGR 2022-2027) of 7.87%, resulting in a projected market volume of £693.00m by 2027.
https://www.statista.com/outlook/dmo/digital-health/ehealth/online-doctor-consultations/united-kingdom?currency=GBP

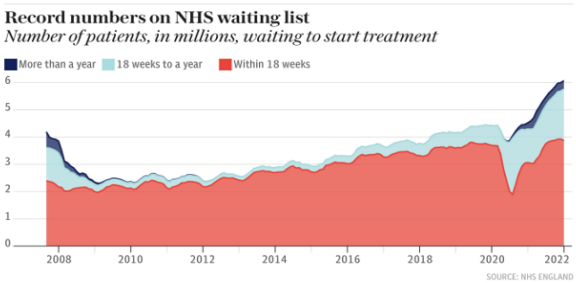
Coronavirus IgG IgM Antibody Test for past infection.

Coronavirus Antigen Test for current infection.

Coronavirus (RT-) PCR Test for current infection.

The NHS Challenge

The world is faced with growing health epidemics and challenges, which puts traditional health services under unprecedented stress. The UK Parliament's health and social care committee said the NHS faces an "unquantifiable challenge" to deal with patients who have not been treated because many have health conditions that have yet to be identified.



Pointing to figures showing that 5.8 million patients are waiting for planned care like routine operations, he warned that the number "could double by 2025" and that the NHS faces an "unquantifiable challenge in tackling a backlog of cases caused by the pandemic"- Daily Telegraph 6th Jan 2022.

- The NHS is already under considerable stress
- 'Brexit' has caused material staffing Issues with non-UK residents returning to their country of origin
- The pandemic has added unprecedented strain and delayed critical services, such as cancer screening
- GP Diagnostics services over-worked creating huge delays driving those with disposable money to the private sector
- Pharmacies are short of funds and in addition the NHS are requesting further services to be administered by the pharmacist within the same budgets creating unsustainable positions
- Radical investment and reform of diagnostic services in NHS Long Term Plan has been delayed, but now at critical stage
- GPs are overwhelmed, the 11,500 plus pharmacies in the UK can provide front line diagnostic services.

The NHS plan sets out that there is a need to give people more control over their own health, using community services such as pharmacies

Goodbody Health Plan

- Support the NHS Long Term Plan
- Provide “frontline” healthcare services in the local community partnering with local pharmacies and point of care locations such as dentists, opticians, gyms and health centres
- Implement advanced technology to disrupt the existing inefficient model – time, courier, laboratories
- Focus on PREVENTION testing before symptoms appear
- Be an aggregator of the highest quality, most innovative wellness solutions
- Enable customers to manage their healthcare digitally taking pressure off the GPs and hospitals
- Provide local and remote solutions to the three distinct groups - “wellness inquisitors”, “diagnostic concerns” and “existing conditions”

With the maxim of “Know More – Live Better” the Company is targeting several key areas to achieve this:

- Prevention: encouraging people to check their wellness, take responsibility for their lifestyle to avoid joining the NHS backlog before symptoms appear. “Wellness as a lifestyle choice”
- Focus on disruptive lifestyle technologies in consumer healthcare
- We are committed to a future where genomics greatly improves the mental and physical wellbeing of our customers. This will mean developing a better understanding of the genetic causes of disease, along with provision of tailored therapies so that customers get the treatments and advice that work for them and predictive interventions – addressing diseases before they appear
- We seek to decentralise healthcare by making the three pillars Prevention, Diagnostics and Personalised Care comprehensive and accessible to anyone, at anytime and anywhere.
- Displacement: moving non-urgent activity from the GPs to the local points of care
- Customer Relationship Management & Marketing: Not a transactional business, we are developing CRM with technology to track, predict, gamify a suite of marketing programmes optimising life stage, seasonality, family genetics, emotions, and socioeconomics**.**

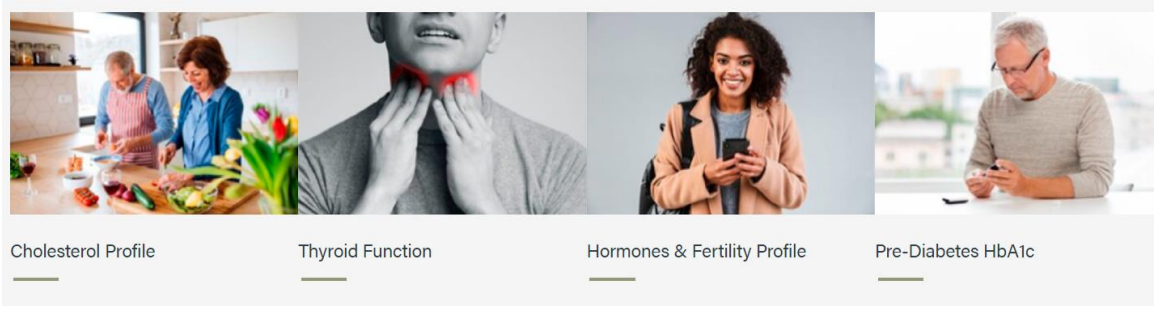
Blood Testing

The company has built a relationship with a key group of pharmacies to understand their needs to facilitate their community whilst retaining suitable margins within the parameters of working with the NHS. This initiative shaped our product range and the implementation of our services within the locally led independent pharmacies which has since been extended to other frontline health and wellness partners.

On the 8th March 2022, the Company ordered 100 Abbott blood testing machines for its existing UK clinic network enabling it to offer blood testing in over 150 UK locations through its clinic network.

Using the Abbott blood testing Machines, Goodbody Health will administer blood tests with respect to lipids (heart / cholesterol) and diabetes through the Company's clinics. By identifying issues relating to heart health and diabetes through its blood testing, the Company hopes to help customers take control through making healthy lifestyle changes and further the Company's maxim of helping people 'Know more, Live better'.

In addition we provide phlebotomy services to offer a venous blood draw service through our Bath clinic and a growing number of our clinic network sites.



Health.Goodbodyclinic.com is connected to our existing Independent Community Providers to facilitate in clinic blood testing appointments nationwide, driving appointments direct into our partners. Home test kits can be bought direct from the Company's webstore or from one of the many partners that offer these kits.

On 16th June 2022 the company announced that, the Care Quality Commission (CQC) registration has now been granted. The company now provides all its testing services under the regulated activity diagnostic and screening procedures. CQC is the independent regulator of health and adult social care in England.

This enables our customers and other stakeholders to be confident that Goodbody will provide safe, effective, compassionate, high-quality care, and can be reassured that the Company will be monitored and inspected to make sure that standards of quality and safety continue to be achieved. This in turn helps to drive customers into our network of clinics to benefit from our expanding range of products and services.

On 20th June 2022 the company announced that, the company has launched a Genetic Risk Testing for Cancer and Cardiovascular Diseases. This helps customers gauge and understand their cancer and heart disease risk better in conjunction with Everything Genetic. These tests provide medically validated genetic testing for cancer and heart disease allowing customers to take control of their health and to detect potential problems at an early stage

Environmental, Social, Governance (ESG) Policy

We deliver products and services to our stakeholders that support, impact and underpin socially responsible themes.

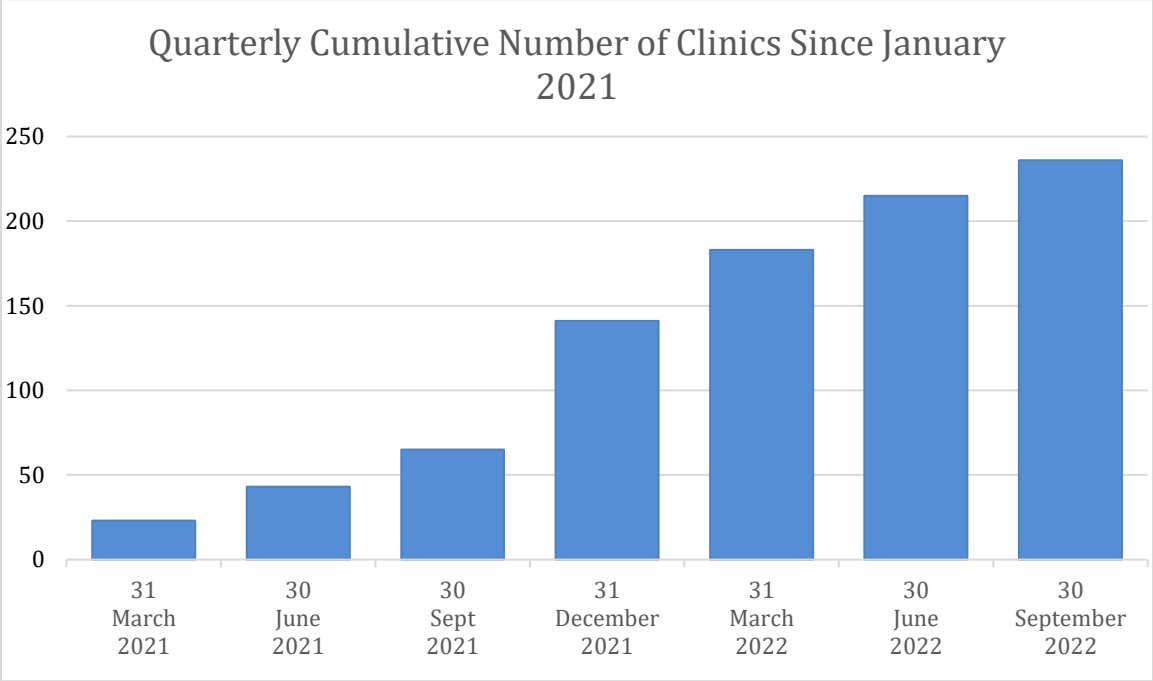
The group ESG Strategy has six priority areas:

- Climate action: Making progress towards becoming a net zero business within a low carbon economy.
- Equality, Diversity, and inclusion: Accelerating progress to improve representation and diverse talent pipelines. Equal access to all to our services and to jobs for staff.
- Empowering colleagues and our communities: Sustaining a skilled workforce today and for the future, continuing to prioritise colleague health and wellbeing, and taking action to help and collaborate with communities in need.
- Supporting and connecting with our clients: Being clear and transparent about how we can help clients to improve their sustainability performance through an ESG-centric approach.
- Acting with integrity in everything that we do: Taking ownership and holding ourselves accountable for the way we do business.
- Building trust and increasing transparency: Enhancing the credibility of our own ESG disclosure, consistent with our purpose of delivering positive outcomes with our colleagues, clients, and communities.

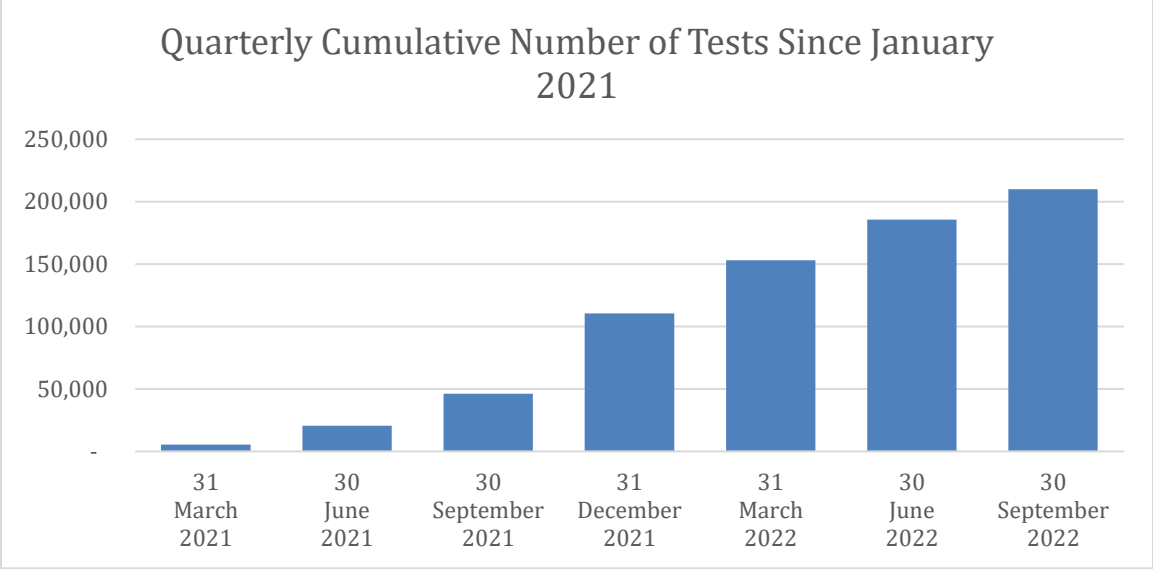
Following an ESG audit from which an action plan was generated to work towards the above priorities the Carbon Footprint baseline for 2021 was completed and further actions identified.

	No poverty	Good Health & Wellbeing	Quality Education	Gender Equality	Affordable and clean energy	Decent work economic growth	Reduced Inequalities	Sustainable cities and communities	Responsible consumption and production	Climate action
Meeting the NHS long term plan to reduce pressure on the service		◎				🤝			◎	
Range of lower & higher priced lateral flow tests to meet the needs of different income groups							◎	🤝		
Investing in local pharmacies across diverse communities nationwide	🤝	◎				◎	◎	◎		
Strong Health & Safety policies, procedures & action plan		🤝	🤝							
Empowering consumers to take responsibility for their own healthcare to improve health outcomes		◎	🤝							
Committed to diversity & providing all staff equal opportunities with women holding senior positions				◎						
Anti-bullying and anti-harassment focus				🤝			🤝			
Environmental action plan including Carbon footprint monitoring and waste management system					🤝					🤝
Hybrid office/home working				🤝	🤝					
Transparent information on product and services			🤝						🤝	
Governance Framework including Supplier and Sub-Contractor evaluation processes to support ESG goals and accreditation compliance						🤝			🤝	

◎ = Major Focus 🤝 = Commitment



By the end of September 2022, the number of all types of tests carried out had reached over 200,000 through 244 clinics, mainly partner pharmacies.



The number of clinics continues to increase, and we plan to further expand nationwide whilst also broadening the products and services which they offer to their customers.

DEVELOPMENTS DURING THIRD QUARTER 2022

Voting at the AGSM on August 9th confirmed that the Company would redomicile from Canada to Guernsey following a voluntarily delisting for the CSE in Canada making the AQSE in London its main exchange. The relocation then completed on August 19th and trading resumed on the AQSE on 24th August 2022. The Company remains listed on the AQSE in London and on the OTCQB in New York.

The ten for one share consolidation of the Company's issued and outstanding shares became effective on August 18, 2022. The Company has also been accepted onto the electronic trading platform Hargreaves Lansdown which had previously been an issue.

Today Goodbody is positioned as part of the private healthcare revolution in diagnostic wellness testing and services. Goodbody helps consumers, pharmacies, GP's, private companies, and the NHS deal with the increasing needs for pathology, genetic testing, phlebotomy, and pharmacy consultations for those without symptoms, to support preventative health interventions and lifestyle changes to improve future health outcomes.

• We work with over 240 pharmacies including Superdrug, independent pharmacies, dentists, gyms, and other healthcare providers throughout the UK to offer our blood testing and health assessment services.
• We have partnered with well-known accredited laboratories such as London Medical, Eurofins and Everything Genetic for our testing analytics.
• We have over 52 tests to include venous draw and home finger pricks blood tests, hereditary cancer genetic tests and virtual GP referral pathways. (Online GP concierge services are rapidly growing, currently estimated to be worth £537.4m and a growing at a rate of 19.7% per year in the UK)
• Our support and compliance infrastructure includes inhouse experience, ISO accreditation and Care Quality Commission registration
• Our established UK wide pharmacy network has undertaken over 200K tests, with this growing daily.
The UK has a national health service (NHS) that is over-stretched in both diagnostics waiting lists and treatment and is critically underfunded. The market for private healthcare using modern diagnostic equipment and genetics is hugely exciting. This year alone there has been over £60M of non-NHS blood tests.

OUTLOOK 2022 & RECENT DEVELOPMENTS SINCE THIRD QUARTER 2022

It was announced on October the 3rd that a contract was signed with Tasso Inc, the leading provider of convenient, clinical grade blood collection solutions, for the UK pharmacy and wellness market. Tasso produces a signature line of virtually painless medical devices to draw a capillary blood sample with no needles and without the need for a phlebotomist, which can then be sent to an accredited laboratory for analysis. This will allow more Goodbody Health clinics and wellness locations as well as other healthcare professionals to undertake the tests requiring more blood than is delivered through the finger prick method.

It was announced on October the 18th that an agreement had been made with Allied Pharmacies Limited to join the Goodbody clinic network. The new Allied Pharmacies clinics adds 17 pharmacies that can provide a range of health services including the range of diagnostic testing offered by the Goodbody clinics and ear wax micro suction. Earwax removal is no longer offered by most GPs, so patients are increasingly turning to community pharmacies for advice and treatment. At the date of the report there are 258 clinics undertaking diagnostic testing and other health services.

Our product and service portfolio encompasses 'now' and 'future' testing – from finger prick tests that detail your state of health 'now' to hereditary genetic testing that details the potential risks of hereditary illness in the future.

The strategic direction remains focused on clear opportunities in Health & Wellness products and solutions in prevention and early diagnostics where steady growth is still clear. The management team have restructured the cost base and removed costs not essential to developing the business strategy. These include the repatriation from Canada, reduction in professional fees, duplicated market and compliance costs as well as travel. We have also reduced headcount in non-essential areas and are rationalising assets to focus on those driving revenue to extend the cash for investment in the development of products and services.

From our website to 3rd party onsite blood testing stands, Goodbody have a multi-channel approach to serving consumers as a local and national level, combining technologies to offer the most innovative solutions to our customer base through working with 3rd party partnerships such as Tasso. We have built a brand based on accurate testing and a quality service. We have also taken significant steps in restructuring the Company, to simplify structure, reduce costs and enable us to intensify our efforts on revenue generation. Whilst the domiciliation from Canada to the UK and share consolidation was controversial, the Board did not shy away from making the right decisions to ensure the longer-term viability of the business.

RESULTS OF OPERATIONS

Non-GAAP Measures

The Company prepares its Annual Financial Statements in accordance with IFRS. However, the Company considers certain non-GAAP financial measures as useful additional information to assess its financial performance. These measures, which it believes are widely used by investors, securities analysts and other interested parties to evaluate its performance, do not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to financial measures determined in accordance with IFRS. Non-GAAP measures include clinic and test numbers, "EBITDA" and "Adjusted EBITDA".

EBITDA and Adjusted EBITDA

Earnings before interest, taxes, depreciation and amortisation ("EBITDA") and consolidated adjusted earnings before interest, taxes, depreciation and amortisation ("Adjusted EBITDA") are non-IFRS measures of financial performance. The presentation of these non-IFRS financial measures is not intended to be considered in isolation from, as a substitute for, or superior to, the financial information prepared and presented in accordance with IFRS, and may be different from non-IFRS financial measures used by other companies. Company management defines EBITDA as follows: IFRS Net income (loss) adding back accretion and interest expenses (including amortisation of deferred financing fees), income taxes, amortisation, gain/loss on disposal of assets, and fair value gain/loss on financial liabilities. Adjusted EBITDA is calculated as EBITDA and excludes discontinued operations and the effects of significant items of income and expenditure which may have an impact on the quality of earnings, such as restructuring costs and impairments where the impairment is the result of an isolated, non-recurring event. It also excludes the effects of equity-settled share-based payments, changes in deferred revenues, and other extraordinary one-time expenses. It also excludes unrealised exchange rate movements, especially as most are generated on intercompany balances. Management believes EBITDA and Adjusted EBITDA are useful financial metrics to assess its operating performance on a cash basis before the impact of non-cash items.

Selected Annual Information

Period Ended:	December 31, 2021	December 31, 2020	December 31, 2019
	£	£	£
Revenue	17,058,060	1,994,224	1,449,493
Gross profit	8,930,782	1,123,693	754,197
Selling, general, administrative (SG&A) and other Expenses	10,998,900	5,756,931	4,551,725
Income tax payable/(receivable)	67,634	(128,171)	-
Net loss for the year	(2,135,752)	(4,505,067)	(3,797,528)
Basic and diluted loss per share (pence)	(0.62)	(2.77)	(4.77)
Adjusted EBITDA	483,673	(3,269,840)	(2,796,928)
Balance Sheet Data:			
Cash and cash equivalents	6,068,172	1,872,597	1,992,531
Total assets	10,843,269	8,209,536	4,551,689
Accounts payable and accrued liabilities	2,319,768	1,066,908	349,358
Total liabilities	3,774,812	1,925,047	1,050,478
Shareholders' equity	7,068,457	6,284,489	3,501,211
Cash Flow Data:			
Increase (decrease) in cash for the year	4,195,575	(119,934)	(1,750,190)

The Group reported revenues of £17,058,060 in the year to December 31, 2021, representing growth of £15,063,836 (+755%) on 2020 (£1,994,224) on a backdrop of lockdown due to COVID. This was driven by COVID-19 testing, launched in Q4 2020 in one clinic, but offered through more than 240 clinics by the end of Q3 2022.

Gross profit of £8,930,782 in the year to December 31, 2021 increased by £7,807,089 (+695%) from the prior year, representing a decrease in margin of 4.0pts to 52.4%, driven by reduced pricing across all business areas.

The Company realised a net comprehensive loss of £2,135,752 in the year ended 2021, compared to a loss of £4,505,067 during 2020, after the net tax charge of £67,634, and £178,628 of currency translation adjustments and the following expenses.

- Sales and marketing costs were £4,217,737 in the year ended 2021, compared to £539,977 in 2020, an increase of 681% due to the use of online advertising to drive clinic bookings and general brand awareness marketing.
- Wages and staff overhead costs were £1,806,062 in the year ended 2021, compared to £1,425,670 in 2020, an increase of 27% due to the expansion of the staff to deal and manage the increased COVID revenue.
- Professional fees and regulatory costs were £1,171,949 in the year ended 2021, compared to £1,687,922 during 2020, a decrease of £515,973 (31%), due to the transaction costs in 2020 not being required netted off with some restructuring support at the start of 2021 and costs related to accreditations achieved during the year.

- Expenditure on infrastructure and operational was £991,665 in the year ended 2021, representing an increase of £417,952 (73%) on 2020 (£573,713) driven by the growth of the clinic network and support functions.
- Travel and entertaining was £116,832 in 2021 an increase of £77,414 over 2020 at £39,418 due to the allowance to travel again after the pandemic travel restrictions the previous year.
- The Company incurred other general and administrative expenditure of £389,508 in the year ended 2021, an increase of £120,990 compared to 2020 as expected to support growth.

Non-cash Charges

The share-based payment charges, totaled £276,618 in the year ended 2021, a decrease of £829,219 on 2020 (£1,105,837). The decrease is due to less options awarded during the year and the forfeiture of options granted to an employee.

Net Assets total £7,068,457 at 31 December 2021, incorporating £6,068,172 in cash and cash equivalents.

Cash Flows

Net cash inflows in the year to December 31, 2021 were £4,195,575.

- Net cash gained in operations totaled £1,855,647 after R&D tax credits.
- Cash outflows from investing activities of £122,222 was mainly due to £242,163 from investing in plant and equipment netted against 131,424 of proceeds.
- Cash inflows from financing activities of £2,462,150 was due to net proceeds from placing of equity shares of £2,664,316.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recent quarters:

Quarter Ended		Total revenue		Total expenses		Comprehensive profit (loss) for the period		Basic and Diluted Profit/(Loss) per share
September 30, 2022	£	1,886,155	£	2,788,945	£	(902,790)	Pence	(2.47)
June 30, 2022	£	2,234,618	£	3,106,810	£	(872,192)	Pence	(2.39)
March 31, 2022	£	5,168,662	£	5,067,001	£	101,661	Pence	0.28
December 31, 2021	£	7,182,873	£	8,452,333	£	(1,269,460)	Pence	(3.48)
September 30, 2021	£	5,017,521	£	5,009,680	£	7,841	Pence	0.02
June 30, 2021	£	3,481,239	£	3,435,021	£	46,218	Pence	0.13
March 31, 2021	£	1,376,427	£	2,296,779	£	(920,352)	Pence	(3.04)
December 31, 2020	£	781,170	£	2,161,185	£	(1,380,015)	Pence	(4.56)

Financials results for the period ended September 2022 were converted from CAD to GBP at a rate of £1.00 = $1.49623, and from PLN to GB at a rate of £1.00 = PLN 5.43759.

The launch of COVID testing in Q4 2020 drove a 63% increase in revenues on Q3 2020 resulting in the Company's strongest quarterly revenue performance reported at that date.

Growth in revenues continued in 2021 driven by the clinic expansion through pharmacies and mobile clinics offering COVID testing starting with a 76% increase for Q1 2021 over Q4 2020 and then a 153% increase in Q2 2021 over Q1 2021 and a 44% in Q3 2021 over Q2. Further expansion in the clinics resulted in a 43% further revenue increase in Q4 2021 compared with Q3 2021.

Q1 2022 revenue remained strong as COVID testing continued however it reduced by 28% compared to Q4 2021 as would be expected with the COVID restrictions being eased. The blood testing roll-out across the existing clinics as well as online started in Q1 2022 to replace the COVID testing as it decreased. COVID testing has continued through Q2 however it is on the decline and revenue has reduced by 57% compared with Q1 2022. Blood testing has continued growing as more blood testing technology and tests options are being rolled out to clinics. As anticipated, the revenue for Q3 reduced by 16% compared with Q2 2022 as the demand for COVID testing dropped while non-covid testing continues to be rolled out along with other health services to replace lost revenue by the end of 2022.

The increase in expenses from Q4 2020 into Q1 2021 compared to previous periods was driven by operating costs relating to COVID testing revenues such as outsourced laboratory tests in addition to non-operational costs such as termination payments and professional fees relating to the Stillcanna Inc. merger.

Total expenses for Q2 were 50% higher than Q1 2021, and investment in the clinic network and CBD in Q3 2021 created an increase of 46% in costs but this was in line with the increase in revenue. Costs in Q4 2021 were 69% higher than Q3 but some of this was driven one-off year-end adjustments relating to impairments, without which it would have been 47%.

Expenses decreased by 40% in Q1 2022 compared with Q4 2021 due to reduced revenue, resulting in a profit of £102k for Q1. Expenses decreased by 39% in Q2 2022 compared to Q1 2022 resulting in a loss of £872k for Q2. Specific cost cutting measures have been implemented in Q3 2022, thus resulting in a decrease of expenses by 11% compared with Q2 2022. This will continue into Q4.

Review of Consolidated Financial Information for Q3 2022 compared to Q3 2021

Results of Operations		**Q3 2022**		**Q3 2021**
Revenue	£	1,886,155	£	5,017,521
Gross profit	£	846,713	£	2,680,527
Sales and Marketing	£	699,576	£	1,133,844
Staff Costs	£	480,563	£	529,640
Professional and regulatory costs	£	256,776	£	187,139
Infrastructure and Operational	£	248,815	£	298,748
Travel and Entertaining	£	60,425	£	38,058
Admin, financial and operating income	£	32,463	£	110,480
Share-based payment charges	£	3,156	£	14,980
Depreciation and Amortization	£	141,366	£	257,796
Other income and expenses	£	189,827	£	107,984
Profit/(Loss) before income tax and currency adjustments	£	(1,266,254)	£	1,858
Income tax	£	-	£	-
Currency translation adjustments	£	363,464	£	5,983
Net and comprehensive profit/ (loss)	£	(902,790)	£	7,841
Basic and diluted profit/(loss) per common share (Pence) *		(2.47)		0.02
EBITDA (adjusted for non-cash items)	£	(838,655)	£	410,702

Financials results for the period ended September 2022 were converted from CAD to GBP at a rate of £1.00 = $1.49623, and from PLN to GB at a rate of £1.00 = PLN 5.43759.

*Adjusted form the one for ten share consolidation carried out in August 2022

Revenue

The Company recorded revenues of £1,886,155 in Q3 2022, representing a decrease of £3,131,366 (62%) on Q3 2021 (£5,017,521), due to the anticipated decline in demand for PCR testing of COVID-19.

Gross profit margin

Gross profit decreased by 68% (£1,833,814) from the prior period, to £846,713 in Q3 2022 in line with the reduced revenue, whilst the margin has decreased from 45% to 53% to remain competitive.

Sales and marketing

The Company incurred sales and marketing expenditure of £699,576 in Q3 2022, a decrease of £434,268 (38%) compared to Q3 2021 (£1,133,844). This decrease is driven by the costs associated with the online advertising for clinics in line with the lower demand for COVID testing.

Staff Costs

Wages and salaries have decreased by £49,077 (9%) on Q3 2021, to a total payment of £480,563 in Q3 2022, due to a decrease in headcount in line with reduced COVID testing revenue.

Professional fees and regulatory costs

Expenditure on professional fees totalled £256,776 in Q3 2022, representing a 37% increase of £69,637 compared to spend in Q3 2021 due to cost related to the migration of the company to Guernsey.

Infrastructure and operational Fees

Infrastructure and operational fees of £248,815 in Q3 2022 is a 17% decrease of £49,933 compared to the comparison period in 2021. Q3 2022 has less infrastructure and operational costs due to the reduced revenue including the decrease of irrecoverable VAT which is directly linked to revenue and associated costs.

Travel and entertainment

Travel and entertainment have increased by £22,367 (59%) on Q3 2021, to a total payment of £60,425 in Q3 2022, due the costs associated with the move of the Executive Chairman from Canada and an increase in travel to the pharmacy network.

Admin, financial and operating income

The Company incurred admin and financial costs of £32,463 in Q3 2022, a decrease of £78,017 (71%) compared to Q3 2021 (£110,480). This decrease is driven by the costs associated with the decreased bank and transactional fees associated with the reduced revenue.

Share-based payment charges

Share-based payment charges, a non-cash expense, totalled £3,156 in Q3 2022, a decrease of £11,824 on Q3 2021 (£14,980) due to a reduction in options and warrants issued.

Depreciation and amortization charges

Depreciation and amortization charges, a non-cash expense, totalled £141,366 in Q3 2022, a decrease of £116,430 on Q3 2021 (£257,796) following an evaluation of the depreciation policy for the extraction plant in Poland which reduced the depreciation charge to reflect updated expectations of the plant and machinery asset lives.

Other income and expenses

Other income and expenses netted to an expense of £189,827 in Q3 2022, compared to net expense of £107,984 in Q3 2021, resulting in a variance of £81,843 due to currency gains and losses.

Net and comprehensive profit / (loss)

The Company realised an expense of £902,790 in Q3 2022, a decrease of £910,631 compared to the £7,841 gain incurred in Q3 2021, after accounting for £363,464 of foreign translation gains compared to a gain of £5,985 in the comparative quarter.

Adjusted EBITDA

The EBITDA has been adjusted for non-cash unrealised currency movements, share based payments and asset and goodwill impairments to reflect better the company's underlying performance. The company had an adjusted EBITDA loss of £838,655 in Q3 2022, a reduction of £1,249,357 compared to an adjusted EBITDA gain of £410,702 in Q3 2021. This reflects the reduced profits due to the reducing demand for COVID testing and the cost basis is being reduced accordingly.

LIQUIDITY, CASH FLOWS AND CAPITAL RESOURCES

Liquidity

At September 30, 2022 and December 31, 2021, the Company had the following liquidity related financial information:

		September 30, 2022		December 31, 2021
Cash and cash equivalents	£	3,049,552	£	6,068,172
Liquid assets (1)	£	3,243,839	£	6,490,579
Quick ratio (2)		1.7		1.7
Total assets	£	7,222,520	£	10,843,269
Total liabilities	£	1,764,725	£	3,774,812
Working capital	£	2,184,979	£	3,706,188
Working capital (current) ratio (3)		2.3		2.0

(1) Liquid assets include cash, receivables, and refundable sales taxes receivable.
(2) Quick ratio is defined as cash and cash equivalents divided by current liabilities.
(3) Working capital (current) ratio is defined as liquid (current) assets divided by current liabilities.

Liquidity is defined as the potential that the Company will encounter difficulties in meeting its financial liabilities and other contractual obligations, and the factors that may affect liquidity. Such factors include staff costs and other operating overhead, production and sales levels, capital investment, foreign currency fluctuations, seasonal trends, regulatory initiatives and compliance,

income and sales tax refunds, and a rapidly evolving and immature market. See the Financial Statements note 5.

These factors could adversely impact the Company's liquidity, potentially resulting in operating cashflows not being able to meet the Company's working capital requirements. The Company's strategy to achieve positive cash flows in the medium term, to meet its operating and capital requirements was achieved in Q4 2021 and Q1 and Q2/Q3 have reinvested some of this cash generated to blood testing technology. The company may wish to raise additional capital for acquisition and other expansion opportunities. Whilst the Company has been successful in raising additional capital via the issue of shares in the past, there is no guarantee that the Company could raise capital either through shares or debt in the future on acceptable terms.

The Company proactively monitors liquidity risk, by primarily focusing on liquid assets and working capital, via quick and working capital (current) ratios.

The Company's cash and cash equivalent position has decreased by £3,018,620 from the 2021 year end to £3,049,552 as at September 30, 2022 as cash is invested in blood testing and other infrastructure to expand the services offered.

Cash Flows

Net cash flow		**For the nine months ending September 30, 2022**		**For the nine months ending September 30, 2021**
Operating activities	£	(2,757,484)	£	(227,167)
Investing activities	£	(61,433)	£	(157,632)
Financing activities	£	(199,703)	£	2,540,101
Cash at beginning	£	6,068,172	£	1,872,597
Cash at end	£	3,049,552	£	4,027,899

Review of cash flow in the nine months ending September 30, 2022

Cash used in operating activities was £2,757,484:

- Movements in inventory increased cash by £112,789
- Movements in trade and other receivables increased cash by £202,507
- Movements in trade and other payables decreased cash by £1,399,084
- Movements in prepayments and other current assets decreased cash by £31,702
- Movements in accruals and other current liabilities decreased cash by £412,988
- Movements in unrealised currency loss increased cash by £1,053,901

Cash used in investing activities was £61,433

- Payments for plant and equipment relating to investment in plant & machinery, buildings, and vehicles net of proceeds for asset sales and transfers.

Cash used in financing activities was £199,703 relating to the payment of lease liabilities.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company has determined that its key management personnel consist of executive and non-executive directors of the Company and corporate officers.

The remuneration of directors and key management personnel for the three and nine-month periods to September 30, 2022 and 2021 was as follows:

		Three-months ended			Nine-months ended	
		September 30, 2022	**September 30, 2021**		**September 30, 2022**	**September 30, 2021**
Wages and salaries to Directors and key management	£	133,694	141,168	£	502,080	436,672
Directors Fees	£	-	16,727	£	-	74,012
Share-based compensation	£	2,889	8,090	£	10,732	28,807
	£	**136,583**	**165,985**	£	**512,812**	**539,491**

Other related party transactions for the three and nine-month periods to September 30, 2022 and 2021 was as follows:

		Three-months ended			Nine-months ended	
		September 30, 2022	**September 30, 2021**		**September 30, 2022**	**September 30, 2021**
Recharged expenses	£	-	5,399	£	3,110	7,961
Consultant fees – Carbon Managers Limited	£	39,000	39,000	£	117,000	135,000
Overseas living allowance and accommodation	£	11,710	-	£	61,368	-
Hospitality Shoot – Dairy House Farm Estate	£	-	-	£	-	12,915
Rent - Carbon Managers Limited	£	3,000	29,000	£	114,732	83,000
	£	**53,710**	**73,399**	£	**296,210**	**238,876**

Both Dairy House Farm Estate and Carbon Managers Limited are owned by Geremy Thomas a Director and Executive Chairman.

RISKS AND UNCERTAINTIES

The business of the Issuer is subject to certain risks and uncertainties inherent in the health and wellness sector relating to clinic testing and cannabis products. Prior to making any investment decision regarding the Issuer, investors should carefully consider, among other things, the risk factors set forth below.

While this document describes the risks and uncertainties that management of the Issuer believes to be material to the Issuer's business, it is possible that other risks and uncertainties affecting the Issuer's business will arise or become material in the future.

If the Issuer is unable to address these and other potential risks and uncertainties, its business, financial condition, or results of operations could be materially and adversely affected. In this event, the value of the Ordinary Shares could decline, and an investor could lose all or part of their investment.

The following is a description of the principal risk factors that will affect the Issuer:

Risks Related to the Issuer's Business

New Business Area and Geographic Market, and the Issuer's Ability to Implement the Business Strategy in this Area or Market

The Issuer's growth strategy is dependent upon expanding its product and service offerings into a new business area or a new geographic market. There can be no assurance that the new business area and geographic market will generate the anticipated clients and revenue. In addition, any expansion into a new business area or geographic market could expose the Issuer to new risks, including compliance with applicable laws and regulations, changes in the regulatory or legal environment; different customer preferences or habits; adverse exchange rate fluctuations; adverse tax consequences; differing technology standards or end-user requirements and capabilities; difficulties staffing and managing foreign operations; infringement of third-party intellectual property rights; adapting its products for new markets; difficulties collecting accounts receivable; or difficulties associated with repatriating cash generated or held abroad in a tax-efficient manner.

The growth and expansion of the Issuer's business is heavily dependent upon the successful implementation of the Issuer's business strategy. Execution of the Issuer's business strategy is subject to a variety of risks, including operating and technical problems, regulatory uncertainties, and possible delays. There can be no assurance that the Issuer will be successful in the implementation of its business strategy. These factors could cause the Issuer's expansion into a new business area to be unsuccessful or less profitable or could cause the Issuer's operating costs to increase unexpectedly or its sales to decrease, any of which could have a material adverse effect on the Issuer's prospects, business, financial condition, or results of operations. In addition, there can be no assurance that laws or administrative practices relating to taxation, foreign exchange, or other matters in the markets within which the Issuer intends to operate will not change. Any such change could have a material adverse effect on the Issuer's business, financial condition, and results of operations.

New Industries and Market

The CBD industry and private testing market are relatively new in the European Union and the United Kingdom, and these sectors and markets may not continue to exist or grow as anticipated, or the Issuer may ultimately be unable to succeed in these new sectors and markets. These producers are operating in a relatively new private testing market, and CBD industry and market. The company is subject to general business risks, as well as risks associated with a business involving private testing, an agricultural product, and a regulated consumer product. Within the European Union, the Issuer intends to sell and market its CBD products. To this extent the Issuer needs to build brand awareness in this industry, and in the markets, it operates in through significant investments in its strategy, its production capacity, quality assurance, and compliance with regulations. These activities may not promote the Issuer's brand and products as effectively as intended, or at all. Competitive conditions, consumer tastes, customer requirements and spending patterns in this new industry and market are relatively unknown and may have unique circumstances that differ from existing industries and markets. There are no assurances that this industry and market will continue to exist or grow as currently estimated or anticipated, or function and evolve in a manner consistent with management's expectations and assumptions. Any event or circumstance that affects the CBD or testing health and wellness sectors and market could have a material adverse effect on the Issuer's business, financial condition, and results of operations.

Short Term Market

The clinic network in the United Kingdom was built on COVID-19 related testing. It is accepted that this is a short-term requirement and therefore the ongoing success of the business is reliant on building other forms of testing services identified to maintain income generation through this network into the longer-term future. These are services that are relatively new to the business and therefore there are no assurances that they will be successful.

Reliance on Licenses and Authorizations

In the United Kingdom, CQC (Care Quality Commission) registration is required for the Issuer to broaden its blood testing services offer. Without the correct facilities, QMS (Quality Management System) and appropriately qualified staff this may not be retained leading to an unsustainable market offer. Although the Issuer believes that it will continue to meet the CQC regulations there can be no guarantee that the authorities will maintain the registration after future audits and there is a risk of loss of registration if registration criteria are not met.

The Issuer's ability to operate clinics in the United Kingdom is dependent on the Issuer's, including but not limited to the Issuer's partners and suppliers, ability to sustain and/or obtain the necessary licenses and authorisations by certain authorities within the United Kingdom including the General Pharmaceutical Council for pharmacy partners.

Similarly, the Issuer's ability to source hemp and extract CBD oil and isolate in various jurisdictions within the European Union and the United Kingdom is dependent on the Issuer's, including but

not limited to the Issuer's partners and suppliers, ability to sustain and/or obtain the necessary licenses and authorisations by certain authorities in certain jurisdictions within the European Union and the United Kingdom.

The impact of the compliance regimes, any delays in obtaining, or failure to obtain or keep the regulatory approvals may significantly delay or impact the development of markets, products, operations, and sales initiatives and could have a material adverse effect on the business, results of operations and financial condition of the Issuer.

The licenses and authorisations are subject to ongoing compliance and reporting requirements and the ability of the Issuer, including but not limited to the Issuer's partners, suppliers and joint venture partners', to obtain, sustain or renew any such licenses and authorisations on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable authorities or other governmental agencies in the jurisdictions within the European Union and the United Kingdom and potentially in other foreign jurisdictions. Failure to comply with the requirements of the licenses or authorisations or any failure to maintain the licenses or authorisations would have a material adverse impact on the business, financial condition and operating results of the Issuer, including but not limited to the Issuer's subsidiaries.

Although the Issuer believes that it will meet the requirements to obtain, sustain or renew the necessary licenses and authorisations, there can be no guarantee that the applicable authorities will issue these licenses or authorisations. Should the authorities fail to issue the necessary licenses or authorisations, the Issuer may be curtailed or prohibited from the production and/or extraction of CBD or from proceeding with the development of its operations as currently proposed and the business, financial condition and results of the operation of the Issuer may be materially adversely affected.

There is no assurance that the Goodbody Health Group Facilities will operate as intended or that the projected revenues will be achieved.

The Issuer relies on partner premises for the majority of its clinics and leases one clinic directly, and this component of the Issuer’s business plan is subject to further risks, including:

- There is no guarantee the partner premises will continue to be made available
- There is no guarantee that existing leases will be renewed.

In addition, the Issuer owns a CBD extraction facility, and this component of the Issuer’s business plan is subject to considerable risks, including:

- there is no assurance that the Company Facilities will achieve the intended CBD extraction rates;
- the revenues from the sales of the CBD products may be less than anticipated.

Risks associated with Phlebotomy in Clinics

The Issuer is conducting venous blood draws in its own clinic and through its pharmacy partners. Regulation surrounding taking blood is to be upheld to avoid a material adverse effect on the business. Additionally, to avoid harm to patients, a sufficient number of suitably qualified staff will need to be available; correct insurance obtained; pharmacy phlebotomists will need to be correctly trained, deployed, and retained to ensure correct consent is achieved. Any delays in this area will delay operational roll out.

Change of Laws, Regulations, and Guidelines

Cannabis and clinical laws and regulations, including but not limited to those that apply to the CBD and health testing sectors, are dynamic and subject to evolving interpretations which could require the Issuer to incur substantial costs associated with compliance or alter certain aspects of its business plan. It is also possible that regulations may be enacted in the future that will be directly applicable to certain aspects of the Issuer's business. The Issuer cannot predict the nature of any future laws, regulations, interpretations, or applications, nor can it determine what effect additional governmental regulations or administrative policies and procedures, when and if promulgated, could have on the Issuer's business. Management expects that the legislative and regulatory environment in the hemp derivatives and health and wellness testing sectors in the European Union, the United Kingdom and internationally will continue to be dynamic and will require innovative solutions to try to comply with this changing legal landscape in these nascent sectors for the foreseeable future. Compliance with any such legislation may have a material adverse effect on the Issuer's business, financial condition and results of operations.

Public opinion can also exert a significant influence over the regulation of the CBD industry. A negative shift in the public's perception could affect future legislation or regulation in different jurisdictions, including in the United Kingdom and other European countries that the Issuer plans to distribute its CBD products and health and wellness testing sectors in the future.

Uncertain Demand for Blood Testing, Cannabis and Derivative Products

Commercial blood testing is a new market offer which may not be successful. Profitability in the blood testing market is unproven and marketing direction is to be explored.

The legal cannabis extracts industry in the European Union and the United Kingdom is at an early stage of its development. Consumer perceptions regarding legality, morality, consumption, safety, efficacy, and quality of hemp extracts are mixed and evolving and can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of hemp extracts and related products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the private testing or CBD market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings, or publicity, could have a material adverse effect on the demand for the products and services of the business, results of operations, financial condition and cash flows of the Issuer. Further, adverse publicity reports or

other media attention regarding cannabis in general or associating the consumption of cannabis derivatives with illness or other negative effects or events, could have such a material adverse effect. Public opinion and support for medicinal cannabis use has traditionally been inconsistent and varies from jurisdiction to jurisdiction. The Issuer's ability to gain and increase market acceptance of its business may require substantial expenditures on investor relations, strategic relationships and marketing initiatives. There can be no assurance that such initiatives will be successful and their failure to materialise into significant demand may have an adverse effect on the Issuer's financial condition.

Product Liability

As a distributor of products designed to be ingested by, or to remove samples from, humans, the Issuer faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused bodily harm or injury. In addition, the sale of the Issuer's products involves the risk of injury to consumers due to tampering by unauthorised third parties or product contamination. Adverse reactions resulting from human usage of the Issuer's products alone or in combination with other medications or substances could occur. The Issuer may be subject to various product liability claims, including, among others, that the Issuer's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning health risks, possible side effects or interactions with other substances. A product liability claim or regulatory action against the Issuer could result in increased costs, could adversely affect the Issuer's reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of the Issuer. There can be no assurances that the Issuer will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialisation of the Issuer's potential products.

Product Recalls

Distributors of products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects, such as contamination, unintended harmful side effects or interactions with other substances, packaging safety and inadequate or inaccurate labelling disclosure. If any of the Issuer's products are recalled due to an alleged product contamination or for any other reason, the Issuer could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. The Issuer may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin, or at all. In addition, a product recall may require significant management attention. Although the Issuer has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if the Issuer's products are subject to recall, the reputation of the Issuer could be harmed. A recall for any of the foregoing reasons could lead to decreased demand for the Issuer's products and could have a material adverse effect on the results of operations and financial condition of the Issuer. Additionally, product recalls may lead to increased scrutiny of the Issuer's operations by

regulatory agencies, requiring further management attention, potential loss of applicable licenses, and potential legal fees and other expenses.

Professional Liability

As a provider of services taking fluid samples from humans, the Issuer faces an inherent risk of exposure to professional liability claims, regulatory action and litigation if its services are alleged to have caused bodily harm or injury. Adverse reactions resulting from tests carried out by the Issuer's staff and contractor alone or in combination with other medications or procedures could occur. The Issuer may be subject to various professional liability claims, including, among others, that the Issuer's services caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning health risks, possible side effects or interactions with other substances. A professional liability claim or regulatory action against the Issuer could result in increased costs, could adversely affect the Issuer's reputation with its clients and consumers generally, and could have a material adverse effect on the results of operations and financial condition of the Issuer. There can be no assurances that the Issuer will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialisation of the Issuer's potential services.

Regulatory Compliance Risks

Achievement of the Issuer's business objectives is contingent, in part, upon compliance with regulatory requirements enacted by governmental authorities in more than one country and obtaining all regulatory approvals, where necessary, for the manufacture and sale of its products. The Issuer may not be able to obtain or maintain the necessary licenses, permits, quotas, authorisations or accreditations to operate its business, or may only be able to do so at great cost. The Issuer cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by local governmental authorities.

The Issuer will also rely on the advice of local experts and professionals in connection with any current and new regulations that develop in respect of banking, financing and tax matters in the operating countries within the European Union and the United Kingdom. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in the European Union and the United Kingdom are beyond the control of the Issuer and may adversely affect its business.

The Issuer will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Issuer may be required to compensate those suffering loss or damage by reason of its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. In

addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Issuer's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Issuer.

Retention and Acquisition of Skilled Personnel

The loss of key qualified staff could have a material adverse effect on its business and results of operations. In addition, the inability to hire or the increased costs of hiring new personnel, including members of executive management, could have a material adverse effect on the Issuer's business and operating results. The expansion of marketing and sales of its products will require the Issuer to find, hire and retain additional capable employees who can understand, explain, market and sell its products. There is intense competition for capable personnel in all of these areas and the Issuer may not be successful in attracting, training, integrating, motivating, or retaining new personnel, vendors, or subcontractors for these required functions. New employees often require significant training, and in many cases, take a significant amount of time before they achieve full productivity. As a result, the Issuer may incur significant costs to attract and retain employees, including significant expenditures related to salaries and benefits and compensation expenses issued in connection to equity awards, and may lose new employees to its competitors or other companies before it realizes the benefit of its investment in recruiting and training them. In addition, as the Issuer moves into new jurisdictions, it will need to attract and recruit skilled employees in those new areas.

Limited Operating History

The Issuer has a limited operating history in diagnostic testing and CBD extraction sectors upon which its business and future prospects may be evaluated. The Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its operating goals. In order for the Issuer to meet its future operating requirements, the Issuer will need to be successful in its growing, marketing and sales efforts of its cannabis products. Additionally, where the Issuer experiences increased sales, the Issuer's current operational infrastructure may require changes to scale the Issuer's business efficiently and effectively to keep pace with demand and achieve long-term profitability.

Managing Growth

In order to manage growth and changes in strategy effectively, the Issuer must: (a) maintain adequate systems to meet customer demand; (b) expand sales and marketing, distribution capabilities, and administrative functions; (c) expand the skills and capabilities of its current management team; and (d) attract and retain qualified employees. While it intends to focus on managing its costs and expenses over the long term, the Issuer expects to invest its earnings and capital to support its growth but may incur additional unexpected costs. If the Issuer incurs unexpected costs it may not be able to expand quickly enough to capitalise on potential market opportunities.

Legal and Regulatory Proceedings

From time to time, the Issuer may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom it does business and other proceedings arising in the ordinary course of business. The Issuer will evaluate its exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on the Issuer's financial results.

The Issuer's participation in the cannabis industry may lead to litigation, formal or informal complaints, enforcement actions, and inquiries by third parties, other companies and/or various governmental authorities against the Issuer. Litigation, complaints, and enforcement actions involving the Issuer could consume considerable amounts of financial and other corporate resources, which could have an adverse effect on the Issuer's future cash flows, earnings, results of operations and financial condition.

The Issuer's production is, in general, subject to different risks and hazards, including natural phenomena, industrial accidents, labour disputes, changes in the legal and regulatory framework applicable to the Issuer and environmental contingencies.

Furthermore, certain types of risks may not be covered by the insurance policies that the Issuer may holds. Additionally, any claims to be paid by an insurer due to the occurrence of a casualty covered by the Issuer's policies may not be sufficient to compensate the Issuer for all of the damages suffered. The Issuer may not be able to maintain or obtain insurance of the type and amount desired at a reasonable cost. If the Issuer were to incur significant liability for which it was not fully insured, it could have a materially adverse effect on the Issuer's business, financial condition and results of operations.

Inter-company Transfers of Funds

As the Issuer's operations will be carried on through its subsidiaries, it will be, in part, dependent on cash flows to and from its subsidiaries. The Issuer is not currently subject to or aware of any limitations on the repatriation of funds from the subsidiaries in the United Kingdom and the European Union, or transfer of funds from the Issuer to the subsidiaries. The Issuer has developed a cash management system to provide for the flow of funds between the Issuer and the subsidiaries. This system will provide for:

- the structuring and documentation of fund transfers as loan arrangements, capital investments and/or management services arrangements between relevant entities;
- internal approval process, by the Issuer's CEO, Corporate Secretary and/or CFO; and
- compliance with internal procedures and applicable local regulations.

If any issues arising with the repatriation of funds it may have an adverse effect on the Issuer.

Global Economy

Financial and securities markets in the European Union and the United Kingdom are influenced by the economic and market conditions in other countries. Although economic conditions in these countries may differ significantly from economic conditions in other areas where shareholders reside, international investors' reactions to developments in these other countries, may substantially affect capital inflows into the European Union economy, and the market value of securities of issuers with operations in the European Union and the United Kingdom.

Economic downturn or volatility could have a material adverse effect on the Issuer's business, financial condition and results of operations. In addition, weakening of economic conditions could lead to reductions in demand for the Issuer's products. For example, its revenues can be adversely affected by high unemployment and other economic factors. Further, weakened economic conditions or a recession could reduce the amount of income customers are able to spend on the Issuer's products. In addition, as a result of volatile or uncertain economic conditions, the Issuer may experience the negative effects of increased financial pressures on its clients. For instance, the Issuer's business, financial condition and results of operations could be negatively impacted by increased competitive pricing pressure, which could result in the Issuer incurring increased bad debt expense. If the Issuer is not able to timely and appropriately adapt to changes resulting from a weak economic environment, its business, results of operations and financial condition may be materially and adversely affected.

Additional Risks Relating to Doing Business Internationally

The Issuer may be subject to risks generally associated with doing business in international markets when it expands into the international markets, specifically Poland, Germany, other EU markets, the United Kingdom and potentially other global markets. Several factors, including legal and regulatory compliance, weakened economic conditions and geo political risks restricting trade in any of the international jurisdictions in which the Issuer may do business could adversely affect such expansion and growth.

Additionally, if the Issuer enters into new international jurisdictions, such entries would require management attention and financial resources that would otherwise be spent on other parts of the business.

International business operations expose the Issuer to risks and expenses inherent in operating or selling products in foreign jurisdictions. In addition to the risks mentioned elsewhere, these risks and expenses could have a material adverse effect on the Issuer's business, results of operations or financial condition and include without limitation:

- adverse currency rate fluctuations;
- risks associated with complying with laws and regulations in the countries in which the Issuer intends to sell its products, 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;
- 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, 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 Issuer's ability to repatriate non-Canadian earnings in a tax effective manner;
- the imposition of North American, UK, European and/or other international sanctions against a country, company, person or entity with whom the Issuer may do business that would restrict or prohibit the Issuer's business with the sanctioned country, company, person or entity;
- downward pricing pressure on the Issuer's products in the Issuer's international markets, due to competitive factors or otherwise;
- laws and business practices favouring local companies;
- political, social or economic unrest or instability;
- expropriation and nationalisation 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, import controls, currency remittance, income and other taxes, royalties, the repatriation of profits, foreign investment, licenses and approvals and permits.

The Issuer's international efforts may not produce desired levels of sales. Furthermore, the Issuer's experience with selling products in Europe may not be relevant or may not necessarily translate into favourable results if it sells in other international markets. If and when the Issuer enters into new markets in the future, it may experience different competitive conditions, less familiarity by customers with the Issuer's brand and/or different customer requirements. As a result, the Issuer may be less successful than expected in expanding sales to new international markets. Sales into new international markets may take longer to ramp up and reach expected sales and profit levels, or may never do so, thereby affecting the Issuer's overall growth and profitability. To build brand awareness in these new markets, the Issuer may need to make greater investments in legal compliance, advertising and promotional activity than originally planned, which could negatively impact the expected profitability of sales in those markets.

Enforcement of Judgments

The Issuer was incorporated under the laws of the Province of British Columbia, however it has since redomiciled to Guernsey and all of its assets are located outside Canada. As a result, investors may not be able to effect service of process within Canada upon the Issuer's potential future foreign directors or officers or enforce against them in Canadian courts judgments

predicated on Canadian securities laws. Likewise, it may also be difficult for an investor to enforce in Canadian courts judgments obtained against these persons in courts located in jurisdictions outside Canada. As a result, shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the Board or controlling shareholders than they would as public shareholders of a Canadian company.

Difficulty Enforcing Canadian Law

All of the Issuer's assets and the assets of each of the directors and executive officers are located outside of Canada. Therefore, a judgment obtained against the Issuer, or the foreign directors and officers, including a judgment based on the civil liability provisions of the Canadian securities laws, may not be collectible in Canada and may not be enforced by a court in the United Kingdom. In addition, even if a European or UK court agrees to hear a claim, it may determine that European or UK law and not Canadian law is applicable to the claim.

Risks Related to Financial and Accounting

Access to Capital

The Issuer makes, and will continue to make, substantial investments and other expenditures related to acquisitions, research and development and marketing initiatives. Since its incorporation, the Issuer has financed most of these expenditures through offerings of its equity securities. The Issuer will have further capital requirements and other expenditures as it proceeds to expand its business or take advantage of opportunities for acquisitions or other business opportunities that may be presented to it. The Issuer may incur major unanticipated liabilities or expenses. The Issuer can provide no assurance that it will be able to obtain financing on reasonable terms or at all to meet the growth needs of its operations.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Issuer's securities will be established or sustained. The market price for the Issuer's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results and acquisition or disposition of properties, as well as market conditions in the sectors, may have a significant adverse impact on the market price of the securities of the Issuer. 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.

Foreign Sales and Currency Fluctuations

The Issuer's functional currency is denominated in British pounds. The Issuer currently expects that sales will be denominated also in euros and may, in the future, have sales denominated in the currencies of additional countries in which it establishes operations or distribution. In the future, the proportion of the Issuer's sales that are international may increase. Such sales may be subject to unexpected regulatory requirements and other barriers. Any fluctuation in the exchange rates of foreign currencies may negatively impact the Issuer's business, financial condition and results of operations. The Issuer has not previously engaged in foreign currency hedging. If the Issuer decides to hedge its foreign currency exposure, it may not be able to hedge

effectively due to lack of experience, unreasonable costs or illiquid markets. In addition, those activities may be limited in the protection they provide the Issuer from foreign currency fluctuations and can themselves result in losses.

Estimates or Judgments Relating to Critical Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. the Issuer bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the notes to the Goodbody Health Group Inc.'s Annual Financial Statements and the Quarterly Financial Statements, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. The Issuer's operating results may be adversely affected if the assumptions change or if actual circumstances differ from those in the assumptions, which could cause the Issuer's operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the share price of the Issuer. Significant assumptions and estimates used in preparing the financial statements include those related to the credit quality of accounts receivable, income tax credits receivable, share based payments, impairment of non-financial assets, fair value of biological assets, as well as revenue and cost recognition.

ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

Refer to the Company's consolidated financial statements for the year ended December 31, 2021 and nine months ended September 30, 2022 for description of accounting policies and other disclosures.

SHARE CAPITAL INFORMATION

a. Authorized: unlimited common shares without par value

unlimited preferred shares without par value

b. Issued and Outstanding:

On January 12, 2022, post year end the Company changed its name to Goodbody Health Inc, trading on the CSE and AQSE in London under the new symbol "GDBY" and the OTC as "GDBYF". The Company has since voluntarily delisted from the CSE on the 17th August 2022.

Share Placement

On April 9, 2021, the company announced the closure of the first tranche of the Company's non-brokered private placement of units ("the Offering") dated March 31, 2021. In this first tranche, the Company issued an aggregate of 45,888,730 Units at a price of C$0.07875 per Unit, for aggregate gross proceeds of C$3,613,737. In connection with this first tranche of the Offering, the Company issued and paid 2,531,098 finder's units and 2,531,098 finder's warrants. On May 21, 2021, the second tranche of the Company's non-brokered private

placement of units was closed dated May 20,2021. In this second tranche, the Company issued an aggregate of 12,701,557 Units at a price of C$0.07875 per Unit, for aggregate gross proceeds of C$1,000,248. In connection with this final tranche of the Offering, the Company issued and paid 901,587 finder's units and 901,587 finder's warrants. Together with the first tranche closing of the Offering announced by the Company on April 9, 2021, the Company issued an aggregate 58,590,287 Units at a price of C$0.07875 per Unit, for aggregate gross proceeds of C$4,613,985. The proceeds were inclusive of cash transaction costs incurred of C$49,164.

Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant. Each warrant will entitle the holder to purchase one common share in the capital of the Company at a price of C$0.105 per one common share purchase warrant until May 20, 2023. Each Finder's Unit consists of one common share and one-half of one Finder's Warrant. Each whole Finder's Warrant entitles the holder thereof to purchase one additional common share at an exercise price of $0.105 per Finder's Warrant Share, until May 20, 2023.

In connection with the Offering the Company used the Black-Scholes valuation method to measure the various instruments issued based on the following inputs:

For the first tranche of common shares and one-half warrants and related broker units
Risk-free interest rate: 0.24%
Expected volatility: 98.12%
Exercise price: C$0.105
Estimated life: 2.00 years
Expected dividend yield: C$nil

For the first tranche of broker warrants
Risk-free interest rate: 0.24%
Expected volatility: 98.12%
Exercise price: C$0.105
Estimated life: 2.00 years
Expected dividend yield: C$nil

For the second tranche of common shares and one-half warrants and related broker units
Risk-free interest rate: 0.33%
Expected volatility: 97.69%
Exercise price: C$0.105
Estimated life: 2.00 years
Expected dividend yield: C$nil

For the second tranche of broker warrants
Risk-free interest rate: 0.33%
Expected volatility: 97.69%
Exercise price: C$0.105
Estimated life: 2.00 years
Expected dividend yield: C$nil

The expected volatilities of all of instruments above was determined based on an assessment of volatility measures from a peer group of public companies in the United Kingdom and North America.

All securities issued in connection with the Offering were subject to a statutory hold period expiring on September 21, 2021.

A summary of the Company's share activity since the reverse acquisition is as follows:

	Number of Shares	Price £
Balance December 31, 2020	302,592,941	0.06
Issued, March 31, 2021	48,419,828	0.03
Issued May 19, 2021	13,603,144	0.12
Cancelled, November 19, 2021	(1,329,111)	0.11
Exercised option, December 9, 2021	1,675,350	0.37
Balance December 31, 2021	364,962,152	0.04
Ten to one consolidation, August 18, 2022	36,496,276	0.40
Balance September 30, 2022	36,496,276	0.40

Stock options*:*

During the year ended July 31, 2018, the company's Board approved the adoption by the Company of a new fixed number share option plan (the "Fixed Option Plan"), subject to shareholder and regulatory approval. The Fixed Option Plan is designed to provide certain directors, officers and other key employees of the Company with incentive share options at the discretion of the Board. Options are to be granted at the discretion of the Board to Service Providers as defined in the Fixed Option Plan. Capitalised terms used but not defined have the meanings ascribed to them in the Fixed Option Plan.

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price (£)
Balance December 31, 2020	41,043,000	0.03
Forfeited, June 30 2021	(600,000)	0.11
Forfeited, July 07, 2021	(1,030,985)	0.01
Forfeited, July 07, 2021	(374,162)	0.04
Forfeited, July 07, 2021	(1,489,201)	0.07
Forfeited, July 07, 2021	(25,775)	0.19
Forfeited, September 30, 2021	(350,000)	0.37
Forfeited, October 01, 2021	(41,239)	0.07
Exercised, December 09, 2021	(1,675,350)	0.01
Exercised, December 20,2021	1,447,173	0.04
Forfeited, December 22, 2021	(744,600)	0.07
Forfeited, December 22, 2021	(10,052,100)	0.01
Issued, December 22, 2021	10,052,100	0.04
Issued, December 22, 2021	744,600	0.04
Balance, December 31, 2021	36,903,461	0.04
Forfeited, June 24, 2022	(300,000)	0.72
Ten to one consolidation, August 18, 2022	3,660,350)	0.31
Balance, September 30, 2022	3,660,350	0.31

The share based payment charge for Jan to September 2022 is £19,369 (2021: £70,625)

As of September 30, 2022, the following stock options were outstanding:

Number of Options Outstanding	Exercise Price £	Expiry Date	Vesting Criteria	Number of Ordinary Shares Vested
1,548,052	0.1492	June 3, 2025	Immediate Vested	1,548,052
418,838	0.1490	March 1, 2023	Immediate Vested	418,838
33,508	0.2980	January 12, 2023	Immediate Vested	33,508
74,833	0.4480	March 30, 2030	1/3, 1/3, 1/3 over 3 years	74,833
163,812	0.6720	March 30, 2030	1/3, 1/3, 1/3 over 3 years	109,208
22,338	0.6720	March 30, 2030	Immediate Vested	22,338
30,930	1.9400	March 30, 2030	1/3, 1/3, 1/3 over 2 years	20,620
5,155	1.9400	March 30, 2030	Immediate Vested	5,155
44,676	0.6864	June 17, 2025	1/3, 1/3, 1/3 over 3 years	29,784
93,820	0.7013	August 26, 2025	1/3, 1/3, 1/3 over 3 years	62,546
144,718	0.3980	December 20, 2026	Immediate Vested	144,718
1,079,670	0.4177	December 26, 2026	Immediate Vested	1,079,670
3,660,350				3,549,270

The weighted average exercise price and weighted average life are £0.30 and 3.25 years, respectively. As of September 30, 2022, 3,549,270 stock options are exercisable.

The fair value of the options issued during the year is calculated using the Black-Scholes Option Pricing Model using the following input assumptions:

Risk-free interest rate	1.2%
Estimated life	5 years
Expected volatility	110.36%
Forfeiture rate	0%

Expected Volatility was determined based on an assessment of volatility measures from a peer group of comparable public companies in the United Kingdom and North America.

Purchase warrants:

A summary of the Company's warrant activities is as follows:

	Warrants Outstanding	Weighted Average Exercise Price £
Balance, December 31, 2020	13,426,033	0.12
Issued, March 31, 2021	26,741,012	0.06
Issued, May 20, 2021	7,703,159	0.06
Issued, December 20, 2021	1,447,173	0.04
Balance, December 31, 2021	49,317,377	0.08
Ten to one consolidation, August 18, 2022	4,931,744	0.82
Balance, September 30, 2022	4,931,744	0.82

The fair value of the warrants issued during the years is calculated using the Black-Scholes Option Pricing Model using the following input assessment information:

Risk free rate:	0.95%
Estimated life:	2 years
Expected volatility:	97.13%
Expected dividend yield	0%

During the nine months ended September 30, 2022, the Company issued nil common or ordinary shares for exercise of warrants for proceeds of £nil. (Year ended December 31, 2021: £nil)

As of September 30, 2022, the following warrants were outstanding and exercisable:

Number of Warrants Outstanding	Exercise Price £	Expiry Date	Number of Ordinary Shares Issuable
309,750	0.643	January 12, 2023	309,750
1,032,857	1.418	December 18, 2022	1,032,857
2,674,102	0.675	March 31, 2023	2,674,102
770,317	0.675	May 20, 2023	770,317
144,718	0.398	December 20, 2024	144,718
4,931,744			4,931,744

The weighted average exercise price and weighted average life are £0.82 and 0.68 years, respectively.

APPOINTMENTS AND RESIGNATION OF DIRECTORS AND EXECUTIVE OFFICERS

During Q3 to September 2022 there were no changes to the appointments of officers and directors.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the nine months ended September 30, 2022, there has been no significant change in the Company's internal control over financial reporting.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's interim unaudited consolidated financial statements for the nine months ended September 30, 2022.

The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Interim and Year End Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability,

transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

FORWARD LOOKING STATEMENTS

Certain information included in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements.

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. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. 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 uncertainty of estimates of capital and operating costs, production estimates and economic return; the assumption that the Company is fully compliant with regulatory filing and continued listing requirements; uncertainties regarding the Company's ability to meet its contractual obligations, including the ability to meet supply requirements; uncertainties regarding the ability of the Company to meet the requirements of the EU marketplace; uncertainties regarding the Company's relationships with certain joint venture partners; uncertainties regarding current and potential litigation arising from certain contractual relationships and other risks and uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies.

It is the Company's policy 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 made as of September 30, 2022 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.

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 other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A and the Company will be provide copies upon request.