MedMira Inc.

Management's Discussion & Analysis

For the three months ended October 31, 2020

Forward looking statements

This document contains forward looking statements, such as statements regarding future sales opportunities in various global regions and financing initiatives that are based on current expectations of management. These statements involve uncertainties and risks, including MedMira Inc.'s ("MedMira" or the "Company") ability to obtain and/or access additional financing with acceptable terms, and delays in anticipated product sales. Such forward-looking statements should be given careful consideration and undue reliance should not be placed on these statements.

This MD&A contains statements that may constitute forward-looking statements about the Company's objectives, strategies, financial condition, results of operations, cash flows and businesses. These statements are "forward-looking" because they are based on current expectations, estimates, assumptions, risks and uncertainties. These forward-looking statements are typically identified by future or conditional verbs such as "outlook", "believe", "anticipate", "estimate", "project", "expect", "intend", "plan", and terms and expressions of similar import. Such forward-looking statements are subject to a number of risks and uncertainties that include, but are not limited to: cyclical downturn; competitive pressures; dealing with business and political systems in a variety of jurisdictions; repatriation of funds or property in other jurisdictions; payment of taxes in various jurisdictions; exposure to currency movements; inadequate or failed internal processes, people or systems or from external events; dependence on key customers; safety performance; expansion and acquisition strategy; regulatory and legal risk; corruption, bribery or fraud by employees or agents; extreme weather conditions and the impact of natural or other disasters; shortage of specialized skills and cost of labour increases; equipment and parts availability, reputational risk; cybersecurity risk; market price and dilution of common shares and environmental regulation risk. Actual results could be materially different from expectations if known or unknown risks affect the business, or if estimates or assumptions turn out to be inaccurate. The Company does not guarantee that any forward-looking statement will materialize and, accordingly, the reader is cautioned not to place reliance on these forward-looking statements. The Company disclaims any intention and assumes no obligation to update any forward-looking statement, even if new information becomes available, as a result of future events or for any other reasons, except in accordance with applicable securities laws.

Introduction

The MD&A was issued and approved by the Board of Directors on the 24th day of December 2020. The following MD&A for the three months ended October 31, 2020 has been prepared to help investors understand the financial performance of MedMira in the broader context of the Company's strategic direction, the risk and opportunities as understood by management, and the key metrics that are relevant to the Company's performance. The Audit Committee of the Board of Directors has reviewed this document and all other publicly reported financial information for integrity, usefulness, reliability and consistency.

This document should be read in conjunction with the audited consolidated financial statements for the year ended July 31, 2020. Annual references are to the Company's fiscal years, which end on July 31. All amounts are expressed in Canadian dollars ("CAD") unless otherwise noted.

Additional information about MedMira, this document, and the related quarterly financial statements ended October 31, 2020 can be viewed on the Company's website at www.medmira.com and are available on SEDAR at www.sedar.com.

The preparation of Management's Discussion and Analysis ("MD&A") may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Management bases estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities. Actual results may differ

from these estimates under different assumptions or conditions. Management believes the accounting policies, outlined in the Significant Accounting Policies section of its October 31, 2020 consolidated financial statements, affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

About MedMira

MedMira is a biotechnology company engaged in the development and commercialization of rapid diagnostics and technology platforms. The Company is headquartered in Halifax, Nova Scotia, Canada and is listed on the TSX Venture Exchange ("TSX-V") under the symbol MIR.

The patented MedMira Rapid Vertical Flow (RVF) Technology™ platform is the basis for the Company's line of rapid tests. Diagnostic applications based on this technology are highly accurate, easy-to-use, and produce instant results – a strong advantage over most other rapid diagnostics on the market today. These features are enhanced further with ability to deliver multiplex results on one test device with just one drop of specimen. The Company has created a new generation of rapid tests that are based on the need to provide immediate answers without increasing costs.

MedMira's technology platform and growing portfolio of diagnostic tools demonstrate excellence in performance and quality in the highly competitive diagnostics industry. More than $30 million has been invested in perfecting MedMira's core technology, which has proven itself time and time again with its excellent clinical performance and its success in rigorous evaluations and inspections, leading to regulatory approvals for rapid diagnostic solutions in the United States (US Food and Drug Administration), Canada (Health Canada), the notified body in the European Union (CE Mark), and China (CFDA) and in a number of countries in Latin America, Africa, and Asia. The Company's quality system is ISO 9001 and ISO 13485 certified.

MedMira sells its rapid tests through a network of medical distributors and strategic business development partners to customers in all sectors of the healthcare industry, including laboratories, hospitals, point-of-care clinics, governments, aid organizations, and public health agencies.

In addition to clinical diagnostics, the Company offers the Miriad™ product line to create new opportunities in the high value technology licensing sector. This business line allows the Company to monetize its award-winning technology and core capabilities, including R&D, product development, and regulatory proficiency. Miriad provides access to MedMira's RVF Technology for researchers, developers, and biotech companies on a license basis to facilitate the creation of new rapid tests or the transition of existing tests to this unique platform. Infiltrating new and different sectors of the diagnostic industry, such as veterinary and environmental, with the Company's technology, enables MedMira to build a higher degree of global awareness, generate new revenue streams, and provide a superior diagnostic platform to the market.

Intellectual property

The Company strives to protect its intellectual property in established and emerging markets around the world as warranted. MedMira's intellectual property portfolio for its Rapid Vertical Flow Technology and the methodology behind its rapid diagnostics includes the following:

Patent #	*Title*	*Jurisdiction*
9,164,087	Rapid Diagnostic Device, assay and multifunctional Buffer	United States
9,086,410	Downward or vertical flow diagnostic device and assay	United States
8,025,850	Rapid Diagnostic Device, Assay and Multifunctional Buffer	United States
8,287,817	Rapid Diagnostic Device, Assay and Multifunctional Buffer	United States

8,586,375	Rapid Diagnostic Device, Assay and Multifunctional Buffer	United States
7,531,362	Rapid Diagnostic Device, Assay and Multifunctional Buffer	United States
D706945	Diagnostic Device	United States
D706466	Diagnostic Device	United States
EP1417489	Rapid Diagnostic Device and Assay	Europe
ZL02819646.5	Rapid Diagnostic Device and Assay	China
2,493,616	Rapid Diagnostic Device, Assay and Multifunctional Buffer	Canada

The Company has other patents pending patents in the US as well as two design patents in force or pending in eight markets. The Company's corporate and product brand names are protected by trademarks in the US and Canada.

The Company has recorded an impairment charge in previous fiscal years to write-down its intangible assets to a nominal value. There is no indication at the end of October 31, 2020 that this impairment has been reversed and thus the value of intangible assets on the balance sheet on October 31, 2020 is $2 (July 31, 2020 - $2).

Corporate update

In the first financial quarter of FY2021, the Company continued its growth in terms of sales, production and development. The growing demand and subsequent sales have allowed MedMira to achieve a net income within the first quarter of the Financial Year 2021.

In Q1 FY2021, MedMira generated the majority of its revenue from products and services related to COVID-19 and with it demonstrated the strong demand for its REVEALCOVID-19™ Total Antibody Test. Independent validation results published in September 2020 have further strengthen the quality, speed and ease-of-use of MedMira's product. Furthermore, new sales opportunities in Europe contributed to additional sales for the Company for its available products. In addition, the Company recorded a stronger demand in the USA for its G4 HIV rapid test and Miriad® products and in Europe of its Multiplo® TP/HIV rapid test. As a result, this generated a higher than anticipated sales of non-COVID-19 related products in Q1 FY2021 which have continued subsequent to the financial quarter end.

MedMira continued to focus on increasing its production further and verify and implement new manufacturing systems which meet the regulatory requirements set forward by the FDA, Health Canada and CE. Parallel to this the Company strengthen its Quality Control department in order to safeguard one of MedMira's core principle of providing only the highest quality products to the market.

The Company's Finance team continued its fiscal constraints to maintain its low fixed costs in order to achieve the maximum contribution towards additional growth and financial stability.

Financial results

Basis of preparation and significant accounting policies

The basis of financial statement preparation and the significant accounting policies of MedMira are described in Notes 2 and 3 of the Company's condensed interim consolidated financial statements for the three months ended October 31, 2020.

Selected quarterly information (in thousands of dollars except per share amounts)

Income statement	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
	$	$	$	$	$	$	$	$
Revenue	1,603	648	87	95	89	99	143	130
Cost of sales	(241)	(297)	(17)	(16)	(17)	(15)	(24)	(26)
Gross profit	1,362	351	70	79	72	84	119	104
Operating expenses	(479)	(403)	(603)	(511)	(355)	(391)	(429)	(477)
Other expenses (gains)	(168)	(218)	(160)	(182)	(185)	(141)	(203)	(222)
Net earnings (loss) before tax	715	(270)	(693)	(614)	(468)	(448)	(513)	(595)

Balance sheet	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
	$	$	$	$	$	$	$	$
Current assets	2,123	911	656	344	130	246	266	311
Non-current assets	2,437	2,485	2,442	2,488	2,535	7	9	13
Total assets	4,560	3,396	3,098	2,832	2,665	253	275	324
Current liabilities	16,300	15,806	16,009	15,053	14,233	13,769	13,331	12,867
Non-current liabilities	3,107	3,152	2,381	2,379	2,417	-	-	-
Total liabilities	19,407	18,958	18,390	17,432	16,650	13,769	13,331	12,867
Total shareholders deficiency	(14,847)	(15,562)	(15,292)	(14,600)	(13,985)	(13,516)	(13,056)	(12,543)
Total liabilities and equity	4,560	3,396	3,098	2,832	2,665	253	275	324
Net earnings (loss) per share	0.0010	(0.0004)	(0.0011)	(0.0009)	(0.0010)	(0.0008)	(0.0008)	(0.0010)

This quarterly information is unaudited but has been prepared on the same basis as any other annual consolidated financial statements. We discuss the factors that caused our results to vary over the past eight quarters throughout this MD&A. The main highlights are:

- The increase in revenue for fiscal 2021 compared to fiscal 2020 is the direct result of the Company's sales of its latest product REVEALCOVID-19™ Total Antibody Test and associate products and services.
- The increase in operating expenses is a direct result of the growth of the Company.
- The decrease in other expenses over the last several quarters is in direct relation to the decreased amount of accounts payable that the Company is carrying.

First quarter analysis

	For the three months ended		
	31-Oct-20	31-Oct-19	Better(worse)
	$	$	$
Product			
Product sales	1,565,744	89,132	1,476,612
Product cost of sales	(203,473)	(17,444)	(186,029)
Gross margin on product	1,362,271	71,688	1,290,583
Services			
Service sales	37,079	-	37,079
Service cost of sales	(37,079)	-	(37,079)
Gross margin on services	-	-	-
Operating expenses			
Research and development	(61,772)	(35,724)	(26,048)
Sales and marketing	(17,299)	(14,653)	(2,646)
Other direct costs	(231,762)	(98,865)	(132,897)
General and administrative	(168,088)	(205,755)	37,667
Total operating expenses	(478,921)	(354,997)	(123,924)
Operating loss	**883,350**	**(283,309)**	**1,166,659**
Non-operating income (expenses)			
Financing	(168,178)	(185,364)	17,186
Net (loss) income	**715,172**	**(468,673)**	**1,183,845**

Product revenue and gross margin

The Company recorded revenue from product sales in the three months ended October 31, 2020 of $1,565,744 as compared to $89,132 for the same period last year. The Company's increased revenue is directly related to its additional sales of its REVEALCOVID-19™ Total Antibody Test and associated products.

The Company recorded revenue from service sales in the three months ended October 31, 2020 of $37,079 as compared to nil for the same period last year.

Gross profit on product sales for the three months ended October 31, 2020 was $1,362,271 compared to $71,688 for the same period in 2020. The Company's gross profit percentage increased to 87% in Q1 FY2020 to 75% in this quarter.

Service revenue and gross margin

The Company recorded revenue from service sales in the three months ended October 31, 2020 of $37,079 compared to $0 for the same period in 2019.

Operating expenses

Total operating expenses increased by $123,924 from $354,997 for the three months ended October 31, 2019 to $478,921 for the three months ended October 31, 2020.

- Research and development expenses for the three months ended October 31, 2020 were $61,772 compared to a

$35,724 for the same period in fiscal 2020. The increase of approximately 73% was due to additional research and development work on the Company's current and future products.

- Sales and marketing expenses for the three months ended October 31, 2020 were $17,299 compared to $14,653 for the same period in fiscal 2020. The increase of approximately 18% was due to the additional activities for the Company's REVEALCOVID-19™ Total Antibody Test.
- Other direct costs for the three months ended October 31, 2020 were $231,762, compared to $98,865 for the same period in fiscal 2020. This increase of approximately 134% was due to the higher costs associated with sales such as logistic costs during the COVID-19 pandemic.
- General and administrative expenses $168,088 for the three months ended October 31, 2020 compared to $205,755 for the same period in fiscal 2020. The decrease of approximately 18% was in line with management's expectations.

Non-operating expenses

- Total non-operating expenses were $168,178 in the three months ended October 31, 2020 compared to $185,364 during the same period in fiscal year 2020. The decrease of 10% in financing expenses was due a decrease in accounts payable.

Geographic information

The Company organizes and records the sales and distribution of its products based on major geographical territories around the world. The table below provides the three-month geographic breakdown of revenue.

	31-Oct-20 $	31-Oct-19 $
Product sales	1,565,744	89,132
Service sales	37,079	-
Total revenue	1,602,823	89,132

	31-Oct-20 $	31-Oct-19 $
North America*	1,559,939	69,378
Latin Amercia and the Caribbean	-	6,515
Europe	38,928	13,239
Asia Pacific	3,956	-
Total revenue	1,602,823	89,132

Liquidity and capital resources

Cash and working capital

The Company had a cash reserves of $603,257 on October 31, 2020 as compared to a cash of $401,861 on July 31, 2020. The Company's net working capital position as at October 31, 2020 was a deficit of $14.2 million compared to the July 31, 2020 working capital deficit of $14.9 million. The Company has incurred operational losses and negative cash flows on a cumulative basis since inception. For the three months ended October 31, 2020, the Company incurred a net income from operating activities of approximately $0.9 million and cash inflows from operations of $0.3 million, compared to a net loss

from operations of $0.3 million and negative cash flows from operations of $0.2 million for the same period in fiscal 2020. The following table is a list of commitments the Company has:

For the three months ended October 31, 2019	Total	Less than 1 year	1 to 3 years	4 to 5 years	After 5 years
	$	$	$	$	$
Debt	9,411,769	8,582,234	829,535	-	-
Accounts payable and accrued liabilities	7,476,860	7,476,860	-	-	-
Lease liabilities	2,417,322	139,157	472,855	371,830	1,433,480
Royalty provision	101,603	101,603	-	-	-
Total debt	**19,407,554**	**16,299,854**	**1,302,390**	**371,830**	**1,433,480**

Operating activities

MedMira incurred cash flows from operations of approximately $0.3 million for the three months ended October 31, 2020, compared to negative cash flows of $0.2 million for the same period in fiscal 2020.

Financing activities

Cash outflows from financing activities were $0.1 million for the three months ended October 31, 2020, compared to cash inflows of $0.1 million for the same period in fiscal 2020.

Debt

As at October 31, 2020, the Company had loans payable with a carrying value of $9.4 million compared to $9.5 million at July 31, 2020. The decrease in the carrying value of loans payable from July 31, 2020 to October 31, 2020 is due to the fluctuation of the US and Swiss Franc exchange rate. During the past 18 months, the Company was in negotiations with all of its debt holders to ensure realistic debt repayment plans, which shall enable the Company to use its working capital for its growth and ensure its future stability. As these negotiations are ongoing, the Company must record these as in default until final agreements have been signed. All the loans are currently in default due to non-payment of principal and interest and therefore show as a current liability on the balance sheet.

Further discussion on liquidity and capital resources can be found in this document in the Liquidity Risk section, Risk and Uncertainties section of this document and in Notes 2 and 8 of the Company's consolidated financial statements for the three months ended October 31, 2020.

Equity/Shares

The Company is authorized to issue an unlimited number of common shares without par value. During the three months ended October 31, 2020, the Company has issued no common shares. The number of issued and outstanding common shares on October 31, 2020 was 658,364,320. The Company is also authorized to issue an unlimited number of Series A preferred shares redeemable at $0.01 per share after March 31, 2010, convertible into an equal number of common shares upon the Company meeting certain milestones. There were 5,000,000 Series A preferred shares issued and outstanding on October 31, 2020.

The Company had 600,000 outstanding stock options on October 31, 2020. The outstanding stock options have a weighted average exercise price of ranging of $0.05 per share and a weighted average remaining term of less than a 1 year. The number of outstanding warrants on October 31, 2020 was nil.

Off balance sheet arrangements

The Company was not party to any off balance sheet arrangements as of October 31, 2020.

Capital Management and Financial Risks

Liquidity risk

The accompanying consolidated financial statements have been prepared on the basis of IFRS applicable to a going-concern, which contemplates the realization of assets and liquidation of liabilities during the normal course of operations. However, certain adverse conditions and events cast significant doubt upon the validity of this assumption.

The Company has incurred losses and negative cash flows from operations on a cumulative basis since inception. For the three months ended October 31, 2020, the Company realized a net income of $0.7 million (October 31, 2019 - $0.5 million), consisting of a net income from operations of $0.9 million (October 31, 2019 - $0.3 million), and other non-operating losses of $0.2 million (October 31, 2019 - $0.2 million). Negative cash inflows from operations were $0.3 million (October 31,2019 – negative net loss of $0.2 million). As at October 31, 2020, the Company had an accumulated deficit of $92.1 million (July 31, 2020 - $92.8million) and a negative working capital position of $14.2 million (July 31, 2020 - $14.9 million). In addition, as at October 31, 2020, $8.6 million of debt was in default. The Company currently has insufficient cash to fund its operations for the next 12 months. In addition to its ongoing working capital requirements, the Company must secure sufficient funding for its research and development programs for existing commitments, including its current portion of debt of approximately $8.6 million. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

The Company's objectives in managing capital are to ensure it can meet its ongoing working capital requirements. The Company must secure sufficient capital to support its capital requirements for research and development programs, existing commitments, including its current portion of debt of approximately $8.7 million, as well as growth opportunities.

Management dedicates significant time to pursuing investment alternatives that will fund the Company's operations and growth opportunities so it can continue as a going concern. Debt arrangements were also ongoing with the Company's major shareholder and other debt holders. Subsequent to the close of the first quarter of fiscal year 2021, the Company, has generated additional revenues from product sales, product development and license fees, which support the Company's on-going operating costs and provide funding for its product development activities. Management continues to work closely with its main investor to support any additional cash requirements if needed, nevertheless there is no assurance that this initiative would be successful.

The Company is subject to risks associated with early stage companies, including but not limited to, dependence on key individuals, competition from substitute services and larger companies, and the requirement for the continued successful development and marketing of its products and services. The Company's ability to continue as a going-concern is dependent upon its ability to generate positive cash flow from operations and secure additional financing and the continued support of its lenders and shareholders. These financial statements do not reflect the adjustments to carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going-concern assumption not appropriate. These adjustments could be material.

Credit risk

The Company is exposed to credit risk in relation to its trade accounts receivable. To mitigate such risk, the Corporation continuously monitors the financial condition of its customers and reviews the credit history or worthiness of each new customer. The Company mitigates this risk by requiring a 100% down payment prior to shipment for new customers or

distributors or 50% down payment on most orders at the time of purchase, and the remaining 50% prior to shipment for long standing costumers with a long standing credit history.

The Company establishes an allowance for doubtful accounts based on specific credit risk of its customers by examining such factors as the number of overdue days of the customers' balance outstanding as well as the customers' collection history. Since 98% of the Company's sales are with three international companies there is no significant concentration of credit risk.

Currency risk

MedMira receives most of its revenues in foreign currencies and incurs expenses in U.S. and Canadian currencies. As a result, the Company is subject to uncertainty as foreign exchange rates fluctuate. The exchange fluctuations from year to year have accounted for a significant portion of the Company's exchange gain and loss. Most sales are in USD, however, they are recorded at the exchange rate prevailing on or near the transaction date and collected in a timely manner.

The Company also experiences currency exposure resulting from balance sheet fluctuations of U.S and CHF denominated cash, U.S. accounts receivable, US and CHF denominated accounts payable and U.S. and CHF denominated promissory notes.

MedMira mitigates this currency risk by maintaining a balance of USD currency which is used to pay down U.S.-denominated liabilities and replenishes the balance through U.S.-denominated revenues.

Interest rate risk
The Company is not exposed to interest rate risk as it borrows funds at fixed rates.

Related party transactions

The following transactions occurred with related parties during the three months ended October 31, 2020:

- Short term loans totalling $11,346 were repaid to employees (July 31, 2020 - $125,939)
- A product development agreement worth $723,000 was received from Ritec AG (July 31, 2020 - $0)

The following balances with related parties were outstanding at October 31, 2020:

- Accounts payable totalling $1,054,241 was due to officers (July 31, 2020 - $1,027,970).
- A loan term loan totalling $219,669 was due to the Chief Financial Officer (July 31, 2020 - $222,087).
- A royalty provision was owed to MedMira Holding AG of $101,063 (July 31, 2020 - $101,063).
- Short term loans totalling $50,000 were owed to employees (July 31, 2020 - $61,346)
- Short term loans totalling $1,744,440 are owed to Ritec AG (July 31, 2020 - $1,763,640)
- Short term loans totalling $263,533 were owed to one officer (July 31, 2020 - $265,420)
- Short term loans totalling $363,425 were owed to MedMira Holding AG (July 31, 2020 - $367,425)
- Long term loans totalling $799,535 were owed to MedMira Holding AG (July 31, 2020 - $808,335)

Compensation summary

A) Officers for Q1 FY2021

Name and Principal Position	Paid Compensation ($)	Accrued Compensation Current year ($)	Share- and Option-based Awards* ($)	All other compensation ($)	Total Compensation current year ($)	Paid Compensation related to previous fiscal years ($)	Accrued Compensation related to previous fiscal years ($)
Hermes Chan *CEO*	-	23,077	-	-	23,077	-	440,462
Markus Meile *CFO*	-	13,846	-	-	13,846	-	546,537

[1] All other compensation includes pension fund contributions and/or bonuses paid out.

*The Company makes certain estimates and assumptions when calculating the fair value of option-based awards. The Company uses an option-pricing model, which includes significant assumptions including estimates of the expected volatility, expected life, expected dividend rate and expected risk-free rate of return. Changes in these assumptions may result in a material change to the amounts recorded for the issuance of stock options.

B) Directors for Q1 FY2021

Name and Principal Position	Paid Compensation ($)	Accrued Compensation Current year ($)	Share- and Option-based Awards* ($)	Total Compensation current year ($)	Paid Compensation related to previous fiscal years ($)	Accrued Compensation related to previous fiscal years ($)
Hermes Chan Member of the Audit Committee	-	-	-	-	-	-
Steven Cummings, Director, Member of the Audit and Nomination and Compensation Committee	-	-	-	.	-	-
Jianhe Mao, Director, Member of the Audit and Nomination and Compensation Committee	-	-	-	-	-	-

*The Company makes certain estimates and assumptions when calculating the fair value of option-based awards. The Company uses an option pricing model which includes significant assumptions including estimates of the expected volatility, expected life, expected dividend rate and expected risk-free rate of return. Changes in these assumptions may result in a material change to the amount recorded for the issuance of stock options.

Internal control systems and disclosure controls

To ensure the integrity and objectivity of the data, management maintains a system of internal controls comprising of written policies, procedures and a program of internal reviews which provides reasonable assurance that transactions are recorded and executed in accordance with its authorization that assets are properly safeguarded and that reliable financial records are maintained.

Management is currently updating existing standardized processes to improve internal controls and reduce compliance costs. The updated controls will help improve timeliness and accuracy of financial records as well as continue to ensure that the Company's assets are properly safeguarded.

Disclosure controls and procedures within MedMira have been designed to provide reasonable assurance that all relevant information is identified to the Disclosure Committee to ensure appropriate and timely decisions are made regarding public disclosure.

Management, under the supervision of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's internal control over financial reporting and based on this evaluation, has concluded that internal control over financial reporting was effective as at October 31, 2020.

Due to inherent limitations, internal control over financial reporting and disclosure controls can provide only reasonable assurances and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Audit Committee of the Board of Directors of MedMira reviewed this MD&A, and the condensed interim consolidated financial statements of MedMira for October 31, 2020 and MedMira's Board of Directors approved these documents prior to release.

Risk and uncertainties

The Company's base of activity has expanded to manufacturing products for distribution in international markets, making it difficult to accurately predict future operating results. Actual future results may differ significantly in any forward-looking statements. Currently, the Company is not making sufficient sales to be self-sustaining. As a result, the Company's financial condition, business and operations, and intellectual property are exposed to a variety of risk factors. These risks include, but are not limited to, the following:

Risks and uncertainties related to the Company's financial condition

Need for additional capital

Cash generated from operations is insufficient to satisfy working capital and capital expenditure requirements, and the Company is operating with a substantial working capital deficit. The Company will need to secure additional financing in the near term in order to continue as a going concern which may include the sale of additional equity or debt securities or obtaining additional credit facilities. In recent quarters, the Company has relied on temporary funding advanced from key investors. There can be no assurance that this source of funding will continue to be available on acceptable terms, and additional capital may not be available on satisfactory terms, or at all. Management is pursuing other financing alternatives to fund the Company's operations so it can continue as a going-concern.

The Company intends to continue to explore opportunities to enter into supply agreements, joint venture relationships, and other special purpose vehicles with third parties from time to time in order to continue to commercialize its patent pending technology and other intellectual property. Such arrangements may include the issuance of equity or debt securities of the Company, subject to compliance with the applicable requirements of the Canadian securities regulatory authorities and the TSX-V.

Any additional equity financing may result in the dilution of shareholders, and debt financing, if available, may include restrictive covenants. MedMira's future liquidity and capital funding requirements will depend on numerous factors including:

- the extent to which new products and products under development are successfully developed, gain market acceptance and become and remain competitive;
- the costs and timing of further expansion of sales, marketing and manufacturing activities and facility's needs;
- the timing and results of clinical studies and regulatory actions regarding potential products; and
- the costs and timing associated with business development activities, including potential licensing of technologies patented by others.

Continued operations will be contingent on generating sufficient revenues or raising additional capital or debt financing. There is no assurance that these initiatives will be successful.

Fluctuations in revenue

The Company's quarterly and annual revenues may fluctuate due to several factors, including seasonal variations in demand, competitive pressure on average selling prices, customer order patterns, the rate of acceptance of the Company's products, product delays or production inefficiencies, regulatory uncertainties or delays, costs and timing associated with business development activities, including potential licensing of technologies, international market conditions and variations in the timing and volume of distributor purchases. The healthcare industry traditionally is not impacted by seasonal demand. The impact of one or a combination of several of these factors could have a significant adverse effect on the operations of the Company. In addition, changes in existing collaborative relationships, as well as the establishment of new relationships, product licensing and other financing relationships, could materially impact the Company's financial position and results from operations.

Effects of inflation and foreign currency fluctuations

A significant portion of the Company's revenue and expenses are in U.S. dollars, and therefore subject to fluctuations in exchange rates. There is a risk that significant fluctuations in exchange rates may impact the Company's ability to sell its products and, thereby, have a material adverse impact on the Company's results of operations.

Possible volatility of share price

The stock market has from time to time experienced significant price and volume fluctuations that may be unrelated to the operating performance of the Company. In addition, the market price of the Company's common shares, like the share prices of many publicly traded biotechnology companies, has been highly volatile. Announcement of technology innovations or new commercial products by the Company or its competitors, developments or disputes concerning patent or proprietary rights, publicity regarding actual or potential medical results relating to products under development by the Company or its competitors, regulatory developments in both the U.S. and foreign countries, public concern as to the safety of biotechnology products and economic and other external factors, as well as period to period fluctuations in financial results may have a significant impact on the market price of the Company's common shares. It is likely that in some future quarter the Company's operating results will be below the expectations of the public market analysts and investors. In such event, the price of the Company's common shares would likely be materially adversely affected.

Risks and uncertainties related to the Company's business and operations

Lack of market acceptance

MedMira's ability to market its diagnostic products will, in part, depend on its or its partners' ability to convince users that these products represent viable and efficacious diagnostic tests. There can be no assurance that MedMira will be successful in this regard.

Competition

The *in vitro* diagnostics market in which the Company participates is highly complex and competitive. It is comprised of both large healthcare companies that have substantially greater financial, scientific, and other resources than MedMira and a variety of international companies producing diagnostic products of varying quality. In the developed regions of the world with strong healthcare infrastructures, the *in vitro* diagnostics market for serious and emerging infectious diseases such as HIV and Hepatitis C has been focused on diagnostic tests using instrument based platforms designed for clinical laboratories. Diagnostic products designed for use in non-laboratory settings at the point-of-care or for use in laboratories or public health clinics using non-instrument based platforms for the screening and diagnosis of infectious diseases are becoming more mainstream in both the developed and developing regions of the world. Competition in this sector of the market is intense and is expected to increase. Many of the companies have substantially greater resources available for development, marketing and distribution of these products than does MedMira.

Significant development effort required

Products currently under development by MedMira require additional development, testing and investment prior to any final commercialization. There can be no assurance that these products or any future products will be successfully developed, prove to be safe and effective in clinical trials, receive applicable regulatory approvals, be capable of being produced in commercial quantities at reasonable costs or be successfully marketed. The long term success of MedMira must be considered in light of the expenses, difficulties and delays frequently encountered in connection with the development of new technology and the competitive and highly regulated environment in which MedMira operates.

Uncertainties in sales cycles in target markets

MedMira markets and distributes its products to both developed and developing regions of the world. Sales cycles in developed regions of the world are somewhat conventional, however, timing of registrations and other activities surrounding the sale of product into a specific market are unpredictable and highly dependent on third party and government organizations to complete certain processes before a sales transaction can take place. In developing regions of the world where MedMira and its strategic partners are working to close deals, the sales cycle timing is highly uncertain given a number of factors including political and economic turmoil, as well as bureaucratic processes necessary to do business in these regions.

High degree of regulation

MedMira operates in a highly regulated industry and is subject to the authority and approvals of certain regulatory agencies, including Health Canada, the FDA, the CFDA, CE Mark and applicable health authorities in other countries, with regard to the development, testing, manufacture, marketing and sale of its products. The process of obtaining such approvals can be costly and time consuming, and there can be no assurance that regulatory approvals will be obtained or maintained. Any failure to obtain (or significant delay in obtaining) or maintain Health Canada, FDA, Notified Body or CFDA approvals (or, to a lesser extent, approval of applicable health authorities in other countries) for MedMira's new or existing products could materially adversely affect MedMira's ability to market its products successfully and could therefore have a material adverse effect on the business of MedMira.

Ability to retain and attract key management and other experienced personnel

Since its inception, the Company has been, and continues to be, dependent in its ability to attract and maintain key scientific and commercial personnel upon whom the Company relies for its product innovations and commercialization programs. Loss of key personnel individually or as a group could have significant adverse impact on the Company's immediate and future achievement of operating results.

Limited sales and marketing resources and reliance on key distributors to market and sell the Company's product

Any revenues received by the Company will be dependent on the efforts of third parties and there can be no assurance that such efforts will be successful. Failure to establish sustainable and successful sales and marketing programs with effective distributor support programs may have a material adverse effect on the Company.

Commercialization of the Company's products is expensive and time consuming. In the United States, a relationship has been established with a number of distributors to support the logistics and distribution of the Company's products. The Company will rely on the joint efforts of Medline Industries and distributors Cardinal Health, a Fortune 100 company, and VWR International to distribute MedMira's product line.

Outside the United States, the Company pursues collaborative arrangements with established pharmaceutical and distribution companies for marketing, distribution, and sale of its products.

If any of the Company's distribution agreements are terminated and the Company is unable to enter into alternative agreements, or if the Company elects to distribute new products directly, additional investment in sales and marketing resources would be required which would increase future selling, general and administrative expenses. The Company has limited experience in direct sales, marketing and distribution of its products. A failure of the Company to successfully market its products would have a material and adverse effect on the Company.

Manufacturing capabilities and scale-up

The Company must manufacture its products in compliance with regulatory requirements, in sufficient quantities and on a timely basis, while maintaining product quality and acceptable manufacturing costs. If it is unable to manufacture or contract for such capabilities on acceptable terms for its products under development, MedMira's plans for commercialization could be materially adversely affected. MedMira's manufacturing facilities are, or will be, subject to periodic regulatory inspections by the FDA, CE, CFDA and other regulatory agencies and these facilities are subject to Quality System Regulations requirements of the FDA and other standards organizations. MedMira may not satisfy such regulatory or standards requirements, and any failure to do so would have a material adverse effect on the Company. In addition, production and scale-up of manufacturing for new products may require the development and implementation of new manufacturing technologies and expertise. Manufacturing and quality control problems may arise as the Company attempts to scale-up manufacturing and such scale-up may not be achieved in a timely manner or at commercially reasonable cost, or at all.

Rapidly changing technology

The *in vitro* diagnostic testing field as a whole is characterized by rapidly advancing technology that could render MedMira's products obsolete at any time and thereby adversely affect the financial condition and future prospects of the Company.

Uncertainties regarding healthcare reimbursement and reform

The future revenues and profitability of diagnostic companies as well as the availability of capital may be affected by the continuing efforts of government and third party payers to contain or reduce costs of healthcare through various means. For example, in certain foreign markets, pricing or profitability is subject to government control. In the US, there has been, and the Company expects that there will continue to be, a number of federal and state proposals to implement similar government controls. While the Company cannot predict whether any such legislative or regulatory proposals will be

adopted, the announcement or adoption of such proposals could have a material adverse effect on the Company's results of operations.

Product liability

MedMira may be subject to claims of personal injury and could become liable to clinical laboratories, hospitals and patients for injuries resulting from the use of its products. MedMira could suffer financial loss due to defects in its products and such financial loss together with litigation expenses could have a material adverse effect on its operations. MedMira has obtained product liability insurance to protect against possible losses of this nature. However, no assurance can be given that such insurance will be adequate to cover all claims or that MedMira will be able to maintain such insurance at a reasonable cost.

COVID-19 related uncertainties

COVID-19. Since January 31, 2020, the outbreak of COVID-19 (coronavirus) has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures have caused material disruption to businesses globally resulting in an economic slowdown, and global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the outcome of government and central bank interventions. In management's estimation, these events have not had a material unrecorded impact on the carrying value of assets and liabilities reported in these financial statements as at July 31, 2020. The duration and impact of the COVID-19 pandemic remains unclear at this time. Therefore, it is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the company for future periods.

Risks and uncertainties related to the Company's intellectual property

No assurance of patent protection

MedMira has filed patent applications in the United States, Canada, China, and other foreign countries relating to various aspects of its rapid diagnostic platform, processes, reagents, and equipment. Although it is management's belief that the patents for which the Company applied may be issued, there can be no such assurance, nor can MedMira assure that competitors will not develop functionally similar or superior diagnostic testing devices. Moreover, there is a question as to the extent to which biotechnology discoveries and related products and processes can effectively be protected by patents. The law regarding the breadth or scope of biotechnology patents is new and evolving. No assurance can be given that, if a patent issued to MedMira is challenged, it will be held valid and enforceable or will be found to have a scope sufficiently broad to cover competitors' products or processes. The cost of enforcing MedMira's patent right, if any, in lawsuits that it may bring against infringers may be significant and could limit MedMira's operations.

Possible patent infringement

The extent to which biotechnology discoveries and related products and processes can be effectively protected by patents and be enforceable is uncertain and subject to interpretation by the courts. The technologies, products, and processes of MedMira may be subject to claims of infringement on the patents of others and, if such claims are successful, could result in the requirement to access such technology by license agreement. There can be no assurance that such licenses would be available on commercially acceptable terms. If MedMira is required to acquire rights to valid and enforceable patents but cannot do so at reasonable cost, MedMira's ability to manufacture or market its products would be materially adversely affected. The cost of MedMira's defence against infringement charges by other patent holders may be significant and could limit MedMira's operations.