MANAGEMENT'S DISCUSSION AND ANALYSIS

For the years ended April 30, 2026 and 2025
(In Canadian dollars)

Management's Discussion & Analysis

This Management's Discussion and Analysis (the "**MD&A**") of the financial condition and results of operations of Izotropic Corporation (the "**Company**" or "**Izotropic**") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended April 30, 2026.

The MD&A should be read in conjunction with the audited consolidated financial statements and related notes thereto (the "**Annual Financial Statements**") of the Company for the year ended April 30, 2026, which were prepared in accordance with IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("IASB").

All information in the MD&A is as of August 24, 2026, unless otherwise indicated. The Financial Statements and MD&A have been reviewed by the Company's Audit Committee and approved by the Board of Directors on August 24, 2026.

This MD&A may contain forward-looking statements and should be read in conjunction with the cautionary statement on forward-looking statements below. These forward-looking statements are based on assumptions and judgments of management regarding events or results that may prove to be inaccurate resulting from risk factors beyond its control. Actual results may differ materially from the expected results.

The Financial Statements, MD&As, Annual Information Forms ("**AIF**") and other information, including news releases and other continuous disclosure documents are available on SEDAR+ at www.sedarplus.com or on the Company's website at https://izocorp.com.

Cautionary Note Regarding Forward-Looking Statements

Izotropic cautions readers regarding forward-looking statements found in this MD&A and in any other statement made by, or on the behalf of the Company. Statements contained in this MD&A that are not historical facts are "forward- looking information" or "forward-looking statements" (collectively, "**Forward-Looking Information**") within the meaning of applicable Canadian securities laws.

Forward-Looking Information includes, but is not limited to, the Company's ability to obtain necessary government and regulatory approvals, including FDA market approval; the Company's ability to successfully complete the design and development of the Commercial Unit (as defined herein); the Company's ability to successfully commercialize IzoView; the Company's ability to protect the intellectual property granted to the Company under the License Agreement (as defined herein); the success of the Company's sales and marketing efforts; the Company's ability to maintain its competitive advantages; new developments in the area of cancer detections and the efficacy of competing technologies; market acceptance of the Company's products and services; the Company's ability to raise additional capital as and when needed and on acceptable terms; as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts; the Company's lack of production history; risks related to the Company's ability to satisfy the terms of the License Agreement and maintain the License in good standing; risks related to the Company's ability to complete the design and development of the Commercial Unit, as well as create a physical prototype of the Commercial Unit; risks related to the Company's ability to timely obtain regulatory approvals, including FDA approval, in order to satisfy the

terms of the License Agreement; risks related to the Company's ability to obtain additional required capital; risks related to the Company's ability to timely enter into leasing agreements with hospitals and clinics to lease IzoView; increased competition that adversely affects business, estimations about the size of the target market; risks related to laws and regulations affecting government benefit programs could impose new obligations on the Company, require it to change its business practices, and restrict its operations in the future; risks related to the international nature of the Company's business including: fluctuations in currency exchange rates, multiple legal and regulatory requirements that are subject to change and that could restrict the Company's ability to manufacture, market, and sell its products, trade-protection measures and import or export licensing requirements, difficulty in establishing staffing and managing operations, differing labour regulations, inflation, recession, and fluctuations in interest rates, political and economic instability and price and currency exchange controls, limitations on participation in local enterprises, expropriation, nationalization, and other governmental action; risks inherent to the Company's industry with respect to technological change; risks related to management of the Company's growth; risks related to protection of intellectual property; risks related to product liability, recalls and development; risks related to the Company's management team being subject to a conflict of interest; risks related to the Company's reliance on its management team for its future performance; risks related to the substantial number of authorized but unissued Shares; risks related to the dilution of the Shares (as defined herein); risks related to the liquidity of the Shares; risks related to the volatility of the price of the Shares or the market which the Shares trade in; and risks related to income taxes. Forward-Looking Information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such Forward-Looking Information reflects management's current beliefs and are based on information currently available to management. Some of the factors that may cause actual results to differ materially from those indicated may be found under the section "Risk Factors" below.

Forward-Looking Information involves risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. Factors that could cause such differences include the highly competitive nature of the Company's industry, government regulation and funding and other such risk factors described herein and in other disclosure documents filed by the Company with Canadian securities regulatory agencies and commissions. This list is not exhaustive of the factors that may impact the Company's Forward-Looking Information. These and other factors should be considered carefully and readers should not place undue reliance on the Company's Forward-Looking Information. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of this Forward-Looking Information. The factors underlying current expectations are dynamic and subject to change.

Although the Forward-Looking Information contained in this MD&A are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with this Forward-Looking Information. All Forward-Looking Information in this MD&A is qualified by these cautionary statements. Other than specifically required by applicable laws, we are under no obligation and we expressly disclaim any such obligation to update or alter the Forward-Looking Information whether as a result of new information, future events or otherwise except as may be required by law. This Forward-Looking Information is made as of the date of this MD&A.

Significant Developments during the years ended April 30, 2025.

1. On June 14, 2024, the Company completed a non-brokered private placement of 1,800,000 units at $0.10 per unit for gross proceeds of $180,000. Each unit consisted of one common share and one share purchase warrant exercisable at a price of $0.25 per share, expiring June 14, 2027.

2. On July 17, 2024, the Company entered into an amended loan agreement and promissory note dated June 30, 2024 (the "Amended Note"), with respect to the $2,000,000 principal amount of unsecured promissory note.

   The terms of the original promissory note are as follows:

   - Bears interest at 12% per annum;
   - Matured on March 31, 2023; and
   - In consideration for the loan, the Company issued to the lender 826,613 warrants exercisable at $0.62 per share expiring March 31, 2025.

   The terms of the Amended Note are as follows:

   - Bears interest at 12% per annum;
   - Secured by a general security agreement
   - Matures on September 30, 2024;
   - In consideration for the extension, the Company:
     - shall accrue an extension fee of 5% every 6 months retroactive April 1, 2023, of which $200,000 is to be accrued as of the date of the agreement, and another $100,000 at maturity; and
     - issued 9,660,000 warrants exercisable at $0.10 per share expiring July 19, 2029.

   Under the Amended Note, the lender is restricted from exercising the warrants, to the extent that after giving effect to such exercise, the lender would beneficially own or exercise control or direction over, directly or indirectly, in excess of 9.99% of the issued and outstanding common shares of the Company immediately after giving effect to such exercise.

3. On November 19, 2024, the Company completed a non-brokered private placement of 2,800,000 units at a price of $0.05 per share for gross proceeds of $140,000. Each unit consisted of one common share and one transferable warrant exercisable at a price of $0.10 per share expiring November 19, 2026.

4. On February 14, 2025, the Company completed a non-brokered private placement of 3,033,333 units at a price of $0.15 per share for gross proceeds of $455,000. Each unit consisted of one common share and one transferable warrant exercisable at a price of $0.30 per share expiring February 14, 2027.

Significant Developments during the years ended April 30, 2026

1. On June 13, 2025, the Company issued 200,000 options to a consultant. The share price at the issue date was $0.28 per share.

2. On July 15, 2025, the Company announced that it is initiating a strategic awareness plan in anticipation of the future commercialization of its breakthrough device, the IzoView Breast CT Imaging System. The campaign will emphasize IzoView's unique, proprietary features including patented hardware innovations, trade-secret software elements, and next-generation AI integrations, to reinforce the device's competitive edge and accelerate market adoption.

3. On July 29, 2025, the Company provided an educational overview of how its flagship device, the IzoView Breast CT Imaging System ("IzoView") compares to existing breast imaging technologies. IzoView stands apart in terms of clinical performance, cost, and commercial positioning and holds tremendous potential to displace or complement standard-of-care modalities in a growing global market.

4. On August 7, 2025, the Company announced the launch of its new podcast series. The first episode Beyond the Mammogram: Rethinking the Future of Breast Imaging in multiple languages. The podcast marked a new initiative in the Company's ongoing mission to inform and engage broader global audiences about innovations in breast imaging.

5. On August 12, 2025, the Company introduced new corporate website & brand identity that reflects the Company's refined corporate positioning and introduces a modern, unique, visual identity that emphasizes its focus on people- patients, clinicians, and stakeholders across the healthcare ecosystem.

6. On August 26, 2025, the Company amended the expiry date from September 20, 2025 to September 20, 2026 of the 2,841,325 warrants originally issued on September 20, 2023.

7. On September 3, 2025. the Company announced the issuance of the only U.S. patent for computer-aided diagnosis with breast CT, covered by the Company's exclusive global license agreement to breast CT technology with the Regents of the University of California.

8. On September 19, 2025, the Company completed a non-brokered private placement financing, whereby the Company issued 1,500,000 units at a price of $0.25 per unit for gross proceeds of $375,000. Each unit consists of one common share and one transferable warrant, and each warrant entitles the holder to purchase one additional share exercisable at a price of $0.50 per share expiring September 19, 2028.

9. On December 8, 2025, the Company entered into a debt settlement agreement to settle outstanding interest of $60,000, representing three months of interest for the period from July to September 2025, pursuant to the promissory note. Pursuant to the agreement, the Company settled the interest through the issuance of 240,000 units with an aggregate fair value of $144,462, in full settlement of the interest. Each unit consisted of one common share of the Company and one common share purchase warrant with each warrant entitling the holder to acquire one additional common share exercisable at a price of $0.35 per share expiring on December 12, 2030.

10. As per the AGM held on December 29, 2025 the Company concluded that the primary annual and special matters acted upon were the approval of all nominees to sit as directors of the corporation for the ensuing year with the number of directors set at five, the approval of the re-appointment of auditor Dale Matheson Carr-Hilton LaBonte LLP, and the amendment of the Company's By-Laws to reduce the quorum requirement from 20% to at least 1% of the issued voting shares, with decisions continuing to require majority approval. This amendment was brought forward in response to persistent challenges faced by many public companies, including mail delays, posting disruptions, and delays experienced by shareholders using self-managed trading platforms in receiving voting packages.

11. On January 28, 2026, the Company entered into a debt settlement agreement, with a lender to settle outstanding interest of $60,000, representing three months of interest for the period from October to December 2025, pursuant to a promissory note dated April 1, 2022. Pursuant to the agreement, the Company settled the interest through the issuance of 240,000 units with an aggregate fair value of $104,066 in full settlement of the interest. Each unit consisted of one common share of the Company and one share purchase warrant, with each warrant entitling the holder to acquire one additional common share exercisable at a price of $0.25 per share expiring on February 4, 2029.

12. On February 4, 2026, the Company completed a non-brokered private placement, issuing 1,200,000 units at a price of $0.25 per unit for gross proceeds of $300,000. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of $0.25 for a period of 36 months from the date of issuance, expiring February 4, 2029.

13. On April 21, 2026, the Company entered into a debt settlement agreement with a lender to settle $100,000 of the principal outstanding under a promissory note originally dated April 1, 2022 with a principal balance of $2,000,000. Under the agreement, the Company issued 500,000 units with an aggregate fair value of $252,785 in full settlement of the debt. Each unit consists of one common share and one share purchase warrant, with each warrant exercisable at $0.20 per share for a period of three years from the date of issuance expiring April 21, 2029.

14. On April 29, 2026, the Company announced the official launch of Izotropic Africa in Casablanca, Morocco, and appointed Mr. Mohammed Sair as General Manager. Izotropic Africa will serve as the Company's regional headquarters for operations across 38 African countries and the GCC region (Saudi Arabia, UAE, Qatar, Kuwait, Oman, and Bahrain), supporting regulatory activities, clinical documentation, training, software deployment, and regional partner engagement. The Company also announced plans to pursue CE Mark approval for IzoView in Europe, advance localized manufacturing and assembly opportunities in Morocco, develop strategic industrial and funding partnerships, and expand regulatory engagement across Africa and the GCC. Discussions are underway with major hospital groups and healthcare organizations, and a lease has been executed for the Casablanca headquarters. Upon obtaining the required regulatory approvals, the Company projects sales of approximately 40 IzoView systems during the first year of commercialization in the region, increasing to 300 cumulative systems by year five. Additionally, the Company amended its letter agreement with Izotropic Africa by extending the deadline to finalize the formal shareholder and master distributor agreement from the previously announced date to June 30, 2026, to allow additional time for ongoing discussions with healthcare institutions, funding partners, and other stakeholders.

Significant developments Subsequent to April 30, 2026

1. On June 13, 2026, 200,000 stock options with exercise price of $0.28 expired unexercised

2. On June 30, 2026, the Company executed a Formal Agreement (together with a Distribution Agreement and Shareholders' Agreement) with Izotropic Africa ("IZAF") to commercialize its IzoView breast CT imaging system throughout Africa and the Gulf Cooperation Council. The agreements finalize the ownership structure of Izotropic Africa as 51% held by IZAF shareholders and 49% held by the Company and appoint IZAF as the Company's exclusive distributor and commercialization partner across the Territory. IZAF will be responsible for commercialization, sales and marketing, regulatory and market development activities, customer development, and administrative and operational activities within the Territory. The Company is responsible for product manufacturing and supply, technical, clinical and regulatory support, and related commercialization activities. The Company has also committed, subject to financing, to fund 40% of the first-year start-up costs of US$120,000 and to build, ship and install IzoView units for clinical studies and cover-related construction, delivery and installation costs.

3. On August 10, 2026, the Company's Board of Directors approved the grant of an aggregate of 750,000 restricted share units ("RSUs") pursuant to the Company's Long Term Performance Incentive Plan. The RSUs are subject to vesting over the applicable term of service and represent the right to receive one common share of the Company upon vesting. The Board also authorized the Company to reserve and, upon vesting, issue the underlying common shares in accordance with the applicable RSU Award Agreements and the Long-Term Performance Incentive Plan.

Outlook

The Company's current focus is the commercialization of its first medical imaging device, IzoView, a dedicated Breast CT Imaging System. IzoView offers ultra-high resolution, true 3D dedicated breast imaging with 360-degree image acquisition and can be used with or without injectable contrast. Contrast-enhanced breast CT has proven more than promising in research studies at UC Davis Medical Center ("**UC Davis**") in Sacramento, California, where the technology was founded and from which Izotropic has the exclusive global licensing rights. Four successive breast CT systems have been built and tested in clinical trials for research purposes at UC Davis, funded with approximately USD $20 million primarily by U.S. government grants from the National Institutes of Health ("**NIH**"), resulting in a fully de-risked technology with a large volume of published, peer-reviewed scientific research supporting its capabilities and potential.

Since inception, approximately CAD $11.33 million has been raised by the Company as of April 30, 2026. The Company's most recent meeting with the U.S. Food and Drug Administration ("**FDA**") was in March of 2025, to obtain actionable feedback on a clinical study design for a Pre-Market Authorization ("**PMA**") filing, which was submitted to the administration for their review in January 2025. The extensive 60-page pre-submission filing described a full technical Indication for Use, and identified intended patient populations and intended users; provided a thorough device description with system and sub-system schematics and component descriptions covering the imaging, mechanical, electrical, power, communications and controls, safety, software and accessories; system operation, patient positioning and breast radiation dosimetry details; a comprehensive synopsis of prospective case collection for the clinical study; a comprehensive synopsis of the proposed clinical study protocol complete with statistical considerations; and contained specific confirmatory questions for the FDA to ensure that the official meeting would enable actionable steps on the path to regulatory approval and commercialization of IzoView.

Confirmatory guidance was received from the FDA that the clinical study plan is congruent with their expectations of acceptable data (volume, acquisition methods, patient populations, etc.) to evaluate IzoView for approval. Pending financing, the Company will prepare a full detailed clinical study protocol to review with the FDA and is ready to prepare the IzoView units and proceed with a multi-site U.S.-based clinical study.

With business and financial models completed, the Company has been engaging and advancing relationships with potential strategic partners and medical products distributors on three continents. The Company has also been in discussions with funding sources with the intention of securing necessary capital, completing the FDA clinical study and approval processes, obtaining a CE Mark in the E.U. and commercializing IzoView in the USA, Europe and other markets where a CE Mark is accepted for commercialization purposes.

Corporate Structure

The Company was incorporated under the Business Corporations Act (British Columbia) on May 19, 2016 under the name Izotropic Corporation and is extra provincially registered in British Columbia.

The Company's head office and registered office is located at Suite 424, 800-15355 24th Avenue, Surrey, B.C. V4A 2H9.
The Company is a reporting issuer in the provinces of British Columbia, Alberta, and Ontario. The Shares are listed under the symbol "IZO" on the CSE, "IZOZF" on the OTCQB Venture Market, and "1R3" on the Frankfurt Stock Exchange.

The Company has two wholly owned subsidiaries: Izotropic Imaging Corp. ("IIC"), a company incorporated under the laws of the State of Nevada and having its head office and registered office at 15718 39A Avenue, Surrey, B.C. V3Z 0L1 and Izotropic Development Corp. ("IDC"), a company incorporated under the laws of the State of California and having its business address at 5665 Power Inn Road Unit 120, Sacramento, CA 95824.

Company Overview

Izotropic is dedicated to advancing breast cancer imaging through the commercialization of innovative, high-resolution, and patient-friendly medical imaging technologies. The Company's mission is to improve the accuracy, accessibility, and efficiency of high-resolution imaging, breast cancer detection, diagnosis, and treatment by developing cutting-edge imaging-based solutions.

Through collaboration with leading medical professionals, regulatory bodies, and research institutions, Izotropic strives to set new standards in breast imaging, addressing unmet clinical needs and save lives from disease. By leveraging a science-driven approach and partnerships with top-tier clinical experts, Izotropic aims to accelerate market adoption, improve patient outcomes, and drive sustainable growth. As a forward-thinking medical device company, Izotropic's mission is not just to innovate, but to deliver tangible value to its investors, stakeholders, and the broader healthcare community.

The Company's current focus is the commercialization of its first medical imaging device, IzoView, a dedicated Breast CT Imaging System.

Clinical Data & Trials Validating Breast CT Technology

Izotropic Corporation holds the exclusive global licensing rights to breast CT technology from the Regents of the University of California. This technology was originally developed at the University of California, Davis, ("UC Davis") under the Breast Tomography Project led by Company Director Dr. John Boone and his clinical collaborators. Four successive breast CT research devices were developed and evaluated in clinical trials for academic research purposes at UC Davis. A synopsis of publications from the UC Davis Breast Tomography Project and published papers can be found on the Company's website at:

https://izocorp.com/izoview/breast-ct-clinical-data/

The clinical data and images referenced by the Company were generated using research prototypes. IzoView, the commercial breast CT system developed by Izotropic Corporation, is a distinct and separate device designed for commercial use and was not used to generate this data or these images.

Accordingly, any clinical performance data or images referenced by the Company should not be interpreted as evidence of IzoView's abilities, safety or effectiveness. IzoView remains an investigational device and has not been evaluated in clinical trials or studies to support claims of diagnostic performance. No assurances are made that results achieved with earlier breast CT systems will be replicated with IzoView. The Company makes no claims or guarantees regarding the diagnostic capabilities, clinical benefits, or regulatory approval of IzoView at this time.

IzoView has not been approved or cleared by any regulatory authority and is not yet available for commercial sale. Any statements regarding potential clinical utility are for informational purposes only.

IzoView Technology

The IzoView Breast CT Imaging System

IzoView is a dedicated breast CT imaging system developed to provide high-resolution, true 3D volumetric visualization of the breast without compression. The system introduces a clinically differentiated and more patient-friendly imaging experience, and addresses well-known limitations in mammography, tomosynthesis, ultrasound, and MRI, particularly in the 50% of women with dense breast tissue. By acquiring a full 360-degree dataset in approximately ten seconds, IzoView preserves breast anatomy in its natural state, improves lesion conspicuity through contrast-enhancement, and enables rapid reconstruction of diagnostic-quality volumes at a radiation dose equivalent to standard two-view mammography. The platform is engineered to support scalable clinical deployment with a focus on improving diagnostic sensitivity, streamlining imaging workflows, and supporting the future technology and Indication for Use integrations, and AI technologies.

The IzoView breast CT experience introduces a fundamentally different and more patient-centered approach to breast imaging, offering clear distinctions from traditional modalities such as mammography, tomosynthesis, ultrasound, and MRI. IzoView uses cone-beam CT technology to produce true 3D imaging of the breast in its natural, uncompressed shape, with the patient lying face down on a padded tabletop. During the exam, the patient may receive a standard pre-approved iodinated contrast injection and is then asked to position herself prone on the tabletop, gently placing her own breast into an imaging cup. The table is designed at the height of a standard bed and supports patients up to 440 lbs, ensuring accessibility for a broad range of body types. Optical cameras beneath the tabletop allow the technologist to guide positioning verbally, avoiding direct physical contact with the patient or her breast, promoting a more respectful, dignified experience. Unlike mammography and tomosynthesis, which require painful compression and are limited by tissue overlap, IzoView avoids compression altogether, preserving natural breast anatomy and enhancing both image fidelity and patient comfort.

Izotropic's portfolio is built around a series of issued patents and applications, many of which are licensed from the University of California ("**UC Davis**"), and others that are proprietary to the Company. The licensed patents generally serve as the core imaging technology, while the Company's owned patents extend into system functionality, hardware, and support systems.

Business Model

The Company has an executive and management team with experience in the diagnostic and therapeutic medical imaging market, specifically experienced from design, engineering, manufacturing, and sales.

Revenues will be derived through a combination of leasing, sales and per customer usage models, all of which would have recurring and or additional revenue components, regardless of the transaction method. The Company intends to focus on revenue-sharing agreements with customers (where possible), through capital leasing and outright sales. The Company has expressions of interest with capital finance organizations and a relationship has been developed with a major medical equipment leasing company that can provide the total capital required to build Units for the market, subject to approved purchase orders from qualified customers.

When funding is in place, the Company will start its clinical study for approval in Morocco, followed by a CE Mark approval process in the E.U, followed by the FDA approval process in the USA Manufacturing of pre-commercial study units will initially be carried out in the USA and a full stage manufacturing facility will be established in Morocco to make IzoView and future products for the global marketplace. The Company expects to be cleared for sale in Morocco in 18 months from financing and in the E.U in approximately 24 months. With data acquired on Morocco and the EU the timeline for approval in the USA to commercialize is estimated at 42 months from the funding date. There is growing interest in IzoView and soft marketing programs and direct presentations to targeted hospital groups and clinics in North America, Europe and other selected countries has began in early 2026. More traditional sales, marketing and advertising programs will begin 6 - 12 months ahead of expected formal approvals in all locations going forward.

The License Agreement

On April 25, 2017, the Company entered into a license agreement (the "License Agreement") with the Regents for the University of California (the "Licensor") which granted the Company an exclusive worldwide license for the Biopsy Systems for breast computed tomography patent and other related patents ("Licensed Patent Rights").

In consideration for the license, the Company paid an aggregate of US$210,000 (CAD $275,639) and reimbursed US$79,872 of patent costs to the Licensor. In addition, the Company agreed to pay the Licensor:

- 2% of total consideration received by the Company within 30 days of the completion of a Change of Control;
- 3% of net sales from the sales of all products produced by the Licensee in connection with the License Agreement and sold by the Company in the U.S.;
- 3% of net sales from the sale of the first 15 commercial sales of all products produced by the Licensee in connection with the License Agreement in any other country excluding the U.S.; and

- 1% royalty of net sales of all methods and services sold by the Licensee in connection with the License Agreement.

Under the License Agreement, the Company may grant a sublicense to affiliates of the Company, or to third parties. The Company has agreed to pay the Licensor 25% of any cash consideration, or the cash equivalent of any other form of consideration, due to the Licensee for the grant of rights under a sublicense.

Under the License Agreement, the Company is obligated to further development, manufacture, marketing and sale of products, methods, and services offered by the Company in connection with the License Agreement in quantities sufficient to meet the market demand ("Milestones") as follows:

- submit an application covering a product or service to the U.S. Food and Drug Administration ("FDA") or equivalent foreign agency by June 30, 2018. The timeline to accomplish this condition was later revised and extended and the Company initially engaged with the FDA in the third quarter of 2020;

- obtain FDA or equivalent foreign agency approval by December 31, 2021. This condition has also been revised and timeline extended for up to 7 years. The Company will make annual payments of up to $15,000 until this milestone is accomplished; and

- achieve commercial sale and fill the market demand by June 30, 2022. This milestone timeline has also been revised for up to 7 years based on a number of factors.

If the Company is unable to meet any of the above License Agreement Milestones, the Company has the right to extend the target date of any of the above Milestones by 1 year upon payment of US$10,000 to the Licensor. The Company has a further right to extend the target date of any Milestones for an additional 1 year for US$15,000. Under the License Agreement, the total period of time to complete any Milestone must not exceed seven years from the date of the License Agreement, unless the parties mutually agree in writing otherwise. If the Company does not complete a Milestone and does not opt to extend the period to complete the Milestone or opts to extend the period to complete the Milestone and does not complete the Milestone within the extended time period, then the Licensor has the right to terminate the License Agreement, or reduce the Company's exclusive License to a non-exclusive license.

On June 4, 2025, the Company entered into an amendment to the license agreement to further extend the milestone dates and modify some of its obligations.

Under the amendment the Company has agreed to the following milestones:

- submit an application covering a Licensed Product or Licensed Service to the FDA or equivalent foreign agency by March 31, 2026 (submitted);
- obtain FDA or equivalent foreign agency approval covering a Licensed Product or Licensed Service by March 31, 2032;
- begin marketing a Licensed Product or Licensed Service within twelve (12) months of obtaining FDA or equivalent foreign agency approval but no later than March 31, 2033; and

- achieve first commercial Sale and fill the market demand of a Licensed Product or Licensed Service in the United States by December 31, 2033.

The Company has also agreed to pay a diligence obligation extension fee totaling US$85,000 as follows:

- US$25,000 due within thirty (30) days of the Second Amendment Effective Date (paid);
- US$20,000 due on July 1, 2025 (paid);
- US$20,000 due on September 1, 2025 (paid); and
- US$20,000 due on November 1, 2025 (paid)

Selected Annual Information

The following selected financial information is derived from the audited consolidated financial statements of the Company for the years ended April 30, 2026, 2025 and 2024. This information should only be read in conjunction with the audited consolidated financial statements for the respective periods indicated.

Years ended April 30,	2026	2025	2024
	$	$	$
Revenue	Nil	Nil	Nil
Operating expenses	1,447,979	2,216,675	1,699,199
Net loss	(2,184,633)	(3,139,710)	(1,561,356)
Loss per share – basic and diluted	(0.03)	(0.05)	(0.03)
Weighted average number of shares outstanding	66,712,380	58,684,017	53,860,543

As at April 30,	2026	2025	2024
	$	$	$
Total assets	439,779	414,729	232,376
Total current assets	330,418	395,668	166,226
Total liabilities	6,064,780	5,273,716	4,078,630
Shareholder's deficit	(5,625,001)	(4,858,987)	(3,846,254)

During the last three fiscal years:

- The Company has not generated any revenue and has focused on developing IzoView. The design and engineering of IzoView have been completed in fiscal 2024 and 2025.
- Operating expenses primarily consisted of consulting fees of $152,675 (2025 - $250,612; 2024 - $467,178), professional fees of $99,674 (2025 - $137,104; 2024 - $120,049), research and development costs of $723,184 (2025 - $681,227; 2024 - $795,158) and share-based compensation of $84,126 (2025 - $920,461; 2024 - $80,276).
- As at April 30, 2026, included in total assets was cash of $219,713 (2025 - $274,114; 2024 - $38,602).

Izotropic has not declared nor paid any cash dividends on any of its issued Common Shares since its inception. The Company does not anticipate paying any dividends on its Common Shares in the foreseeable future. Other than requirements imposed under applicable corporate law, there are no other restrictions on the Izotropic's ability to pay dividends under the Company's constating documents. Subject to the BCBCA, payment of any dividends, if any, will be at the discretion of the Board after taking into account many factors, including operating results, financial condition, and current and anticipated cash needs. All of the Common Shares will be entitled to an equal share in any dividends declared and paid on a per share basis.

Summary of Quarterly Results

The following table sets forth selected financial information of the Company for each of the last eight quarters:

Three months ended	April 2026[1]	Jan 2026[2]	Oct 2025[3]	Jul 2025[4]	Apr 2025[5]	Jan 2025[6]	Oct 2024[6]	Jul 2024[7]
Net loss	(709,575)	(262,110)	(787,932)	(425,016)	(1,049,724)	(487,323)	(345,324)	(1,257,339)
Loss per share – basic and diluted	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)
Weighted average number of shares outstanding	69,232,319	65,917,244	65,040,592	64,453,481	62,246,908	59,042,500	56,796,346	55,935,476

[1] The net loss in the quarter ending April 30, 2026 was primarily driven by the loss recognized on debt settlement

[2] The net loss for the quarter ending January 31, 2026 was attributable to the research and development expenses partially offset by foreign exchange gain recognized for the period.

[3] The net loss for the quarter ending October 31, 2025 was attributable to the research and development expenses and foreign exchange loss recognized for the period.

[4] The net loss for the quarter ending July 31, 2025 was primarily driven by research and development costs and share-based compensation.

[5] The net loss in the quarter ending April 30, 2025 was primarily attributable to the share-based compensation for options and RSUs granted and vested.

[6] The net loss for the periods January 31, 2025 and October 31, 2024 were primarily driven by research and development costs and consulting expenses.

[7] The net loss for the quarter ending July 31, 2024 was primarily attributable to research and development costs as the Company developed IzoView.

Results of Operations

	Three months ended April 30,		Years ended April 30,	
	2026	2025	**2026**	2025
	$	$	**$**	$
Operating expenses				
Bank charges	**814**	(1,710)	**3,521**	-
Consulting fees	**38,000**	65,920	**152,675**	250,612
Depreciation	**11,029**	10,229	**33,359**	48,899
Filing and regulatory fees	**14,546**	13,590	**74,940**	64,938
Office	**2,616**	34,391	**72,623**	75,018
Professional fees	**16,184**	96,726	**99,674**	137,104
Research and development	**120,290**	171,700	**723,184**	681,227
Share-based compensation	**8,791**	920,461	**84,126**	920,461
Travel and promotion	**84,340**	11,720	**203,877**	38,416
Loss before other items	**(296,610)**	(1,323,027)	**(1,447,979)**	(2,216,675)
Other items				
Accretion and interest	**(295,199)**	(100,945)	**(478,498)**	(286,080)
Foreign exchange gain (loss)	**(3,303)**	(56,955)	**23,107**	(56,955)
Loss on debt settlement	**(264,463)**	(580,000)	**(281,263)**	(580,000)
Loan extension fees	**150,000**	1,011,203	**-**	-
	(412,965)	273,303	**(736,654)**	(923,035)
Net Loss	**(709,575)**	(1,049,724)	**(2,184,633)**	(3,139,710)
Other comprehensive income				
Foreign currency translation	**(966)**	88,784	**3,276**	117
Net loss and comprehensive loss	**(710,541)**	(960,940)	**(2,181,357)**	(3,139,593)

Three months ended April 30, 2026 and 2025

The Company has not generated any revenues as the Company seeks FDA approval for IzoView. The decrease in net loss and comprehensive loss of $250,399 during the three months ended April 30, 2026 was primarily attributable to the following:

- Consulting fees decreased by $27,920 for the three months ended April 30, 2026, driven by lower consulting activity as the Company is currently focusing on developing and implementing Izoview. The consulting fee activity in the prior year period was mainly due to support the expansion of the Company's operations.
- Office expenses decreased by $31,775 for the three months ended April 30, 2026, primarily due to lower administrative and general office-related expenditures compared to the prior year period.
- Research and development decreased by $51,410 for the three months ended April 30, 2026, mainly due to lower contractor fee incurred compared to the prior year period.
- Professional fees decreased by $80,542 for the three months ended April 30, 2026, due to lower audit-related fees incurred during the current period in connection with the audit of the Company's financial statements
- Share-based compensation expense decreased by $911,670 for the three months ended April 30, 2026, mainly from the lower number of stock options and RSUs that were granted and vested during the

current period.

- Travel and promotion expenses increased by $72,620 for the three months ended April 30, 2026, primarily due to higher costs incurred in relation to brand awareness initiatives and promotional campaigns.
- Loan extension fees decreased by $861,203 for the current period compared to previous period. However, the loan extension fees was reclassed in Q4 2025 to adjust the carrying value of promissory note to actual. Foreign exchange loss recognized in the three months ended April 30, 2026, resulted from the revaluation of liabilities denominated in foreign currencies.
- The Company recognized a loss of $264,463 arising from the settlement of interest on a promissory note through the issuance of units of the Company during the three months ended April 30, 2026. The Company recognized a loss of $580,000 during the three months ended April 30, 2025.

Years ended April 30, 2026 and 2025

The Company has not generated any revenues as the Company seeks FDA approval for IzoView. The overall decrease in net loss and comprehensive loss of $958,236 for the year ending April 30, 2026 was primarily attributable to the following:

- Consulting fees decreased by $97,937 for the year ended April 30, 2026, driven by lower consulting activity as the Company is currently focusing on developing and implementing Izoview. The consulting fee activity in the prior year was mainly due to support the expansion of the Company's operations.
- Office expenses decreased by $2,395 for the year ended April 30, 2026, primarily due to lower administrative and general office-related expenditures during the current period compared to the prior year period.
- Research and development increased by $41,957 for the year ended April 30, 2026, mainly due to higher patent maintenance cost incurred compared to the prior year.
- Professional fees decreased by $37,430 for the year ending April 30, 2026, due to lower audit-related fees incurred during the year in connection with the audit of the Company's financial statements.
- Share-based compensation expense decreased by $836,335 for the year ended April 30, 2026, mainly from the lower number of stock options and RSUs that were granted and vested during the current year.
- Travel and promotion expenses increased by $165,461 for the year ended April 30, 2026, primarily due to higher costs incurred in relation to brand awareness initiatives and promotional campaigns.
- Foreign exchange gain recognized in the year ended April 30, 2026, resulted from the revaluation of liabilities denominated in foreign currency.
- The Company recognized an aggregate loss of $281,263 arising from the settlement of interest on a promissory note through the issuance of units of the Company during the year ended April 30, 2026. In the prior year ended April 30, 2025, the Company recognized a $580,000 loss on debt settlement.

Liquidity and Capital Resources

The Company manages liquidity risk by ensuring, as far as reasonably possible, that it has sufficient capital to meet working capital and operating requirements as well as its financial obligations and commitments. The Company has historically financed its operations and met its capital requirements primarily through equity and debt financings. The Company's financial success is dependent on management's ability to raise adequate financing on reasonable terms and to commence profitable operations in the future. The proposed business of the Company involves a high degree of risk and there is no assurance that the Company will identify proper technologies or inventions that will be successful, and even if so identified and warranted, it may not be able to finance such technologies within the requisite time period.

As of April 30, 2026, the Company had current liabilities in excess of current assets of $5,661,012 (April 30, 2025 – $4,878,048). The Company's ability to meet its obligations as they fall due and to continue to operate as a going concern is dependent on the continued financial support of its creditors and the shareholders. There can be no assurance that funding from this or other sources will be sufficient in the future to continue its operations. Even if the Company is able to obtain new financing, it may not be on commercially reasonable terms or terms that are acceptable to the Company.

Cash Flow Highlights

The table below summarizes the Company's cash flows for the years ended April 30, 2026 and 2025:

	Years Ended April 30,	
	2026	2025
	$	$
Cash used in operating activities	(851,250)	(636,230)
Cash used in investing activities	-	(1,140)
Cash provided by financing activities	793,625	872,782
Effect of foreign currency translation on cash	3,224	100
Increase (decrease) in cash	**(54,401)**	**235,512**

The overall decrease in cash during the year ended April 30, 2026 of $54,401 was due to cash used in operating activities partially offset by the cash received from private placements.

The overall increase in cash during the year ended April 30, 2025 of $235,512 was due to cash received from private placement partially offset by cash used in operating activities.

Use of Proceeds

The Company has historically financed its operations primarily through equity and debt financings completed on a private placement basis and did not raise any proceeds by way of a prospectus offering during the year ended April 30, 2026. The proceeds of the private placements completed during, and prior to, the year ended April 30, 2026, were designated for working capital and general corporate purposes. In accordance with Item 1.4 of Form 51-102F1, the following table compares the intended use of proceeds previously disclosed by the Company for each such financing with the actual use of those proceeds for the years ended April 30, 2026 and 2025:

Financing	Intended Use of Proceeds	Actual Use of Proceeds	Variance
June 14, 2024 - $180,000	For public company expenditures, including audit, accounting and filing fees, working capital and general corporate purposes.	Same as disclosed used	No variation
November 19, 2024 - $140,000	For general and administrative purposes	Same as disclosed used	No variation
February 14, 2025 - $455,000	For general and administrative purposes	Same as disclosed used	No variation
September 19, 2025 - $375,000	For working capital and general corporate purposes.	Same as disclosed used	No variation
February 4, 2026 - $300,000	For working capital and general corporate purposes.	Same as disclosed used	No variation

Gross proceeds are stated before deduction of share issuance costs and finders' fees, where applicable. As the proceeds of each of the above financings were designated and applied to working capital and general corporate purposes, there were no material variances between the intended use and the actual use of proceeds, and no such variance has had, or is expected to have, any impact on the Company's ability to achieve its business objectives and milestones. The Company continues to rely on the proceeds of equity and debt financings to fund its working capital requirements and to advance IzoView toward regulatory approval and commercialization.

Contractual Obligations and Commitments

A summary of the Company's contractual obligations and commitments as at April 30, 2026, which outlines the year the payments are due as follows:

	Total	<1 year	1 - 3 years	3 – 5 years
	$	$	$	$
Accounts payable and accrued liabilities	2,954,496	2,954,496	-	-
Promissory notes	3,000,263	3,000,263	-	-
Lease liability	132,054	49,982	82,072	-
	6,086,813	**6,004,741**	**82,072**	**-**

The promissory note is secured by the assets of the Company.

Included in accounts payable are fees totaling $2,145,868 owed to the Company's COO, key developers and consultants associated with the IzoView product. The Company is committed to settling these obligations as soon as sufficient funding is available and views the retention of these key developers, consultants and product team as critical to the Company's long-term success. These individuals continue to play an essential role in executing the Company's strategy and fully support the Company.

As a young growth company, management is cognizant that as at April 30, 2026, the Company is not capable of sustaining its working capital requirements. In order to reach sustainable business operations, Izotropic will continue to achieve the milestones for IzoView and raise additional capital to meet its financial obligations and commitments, and to fund the development of IzoView as well as the administration of the Company.

Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity and debt securities to raise capital, which would result in further dilution to the shareholders. There is no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company or at all.

Capital Management

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the board of directors. The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is meeting its objective of managing capital through preparing short- term and long-term cash flow analysis to ensure an adequate amount of liquidity. The Company is not subject to any externally imposed capital restrictions. There were no changes in the Company's approach to capital management during the year.

Off-Balance Sheet Arrangements

The Company had no material off-balance sheet arrangements as at April 30, 2026, and as at the date of this MD&A, that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company.

Related party transactions and balances

The Company identified Mr. Robert Thast as the director, President and Chief Executive Officer ("CEO"); Mr. Ralph Proceviat as the Chief Financial Officer ("CFO"); Mr. Younes Achkire as the Chief Operations Officer ("COO"); and the Company's current directors as its key management personnel.

Key management includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including the Company's executive officers and members of its Board of Directors. Key management compensation for the years ended April 30, 2026 and 2025 consisted of:

(a) During the years ended April 30, 2026 and 2025, the Company entered into the following transactions with related parties:

	Years ended April 30,	
	2026	2025
	$	$
Research and development	**523,812**	581,987
Professional fees	**39,500**	15,000
Share-based compensation	**-**	413,731
	563,312	1,010,718

Research and development consisted of the following:

	Years ended April 30,	
	2026	2025
	$	$
President, CEO and Director	**-**	20,000
Company controlled by the COO	**523,812**	561,987
	523,812	581,987

During the year ended April 30, 2026, professional fees of $39,500 (year ended April 30, 2025 - $15,000) were paid or accrued to CFO of the Company.

During the year ended April 30, 2026, the Company had NIL (April 30, 2025 – 1,700,000) stock options issued to the directors and officers of the Company.

	Year ended April 30, 2026		*Year ended April 30, 2025*	
	Number of options issued	***Expense for the year (vested)***	*Number of options issued*	*Expense for the year (vested)*
	#	***$***	*#*	*$*
President, CEO and Director	***-***	***-***	*500,000*	*137,910*
COO	***-***	***-***	*200,000*	*55,164*
CFO	***-***	***-***	*200,000*	*55,164*
Directors	***-***	***-***	*800,000*	*165,493*
	-	***-***	*1,700,000*	*413,731*

(b) Related party balances

As at April 30, 2026, included in accounts payable and accrued liabilities were amounts due to directors and officers of $1,864,484 (April 30, 2025 - $1,421,085). The amounts are unsecured, non-interest-bearing and without fixed terms of repayment.

	April 30, 2026	April 30, 2025
	$	$
President, CEO and Director	-	7,788
Company controlled by the COO	**1,853,109**	1,398,297
CFO	**11,375**	15,000
	1,864,484	1,421,085

Critical Accounting Estimates

The preparation of the Annual Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates are based on historical experience, and other factors considered to be reasonable and are reviewed on an ongoing basis. Actual results may differ from these estimates.

Refer to note 2 to the Annual Financial Statements for a detailed discussion of the areas in which critical accounting estimates are made and where actual results may differ from the estimates under different assumptions and conditions and may materially affect financial results of its statement of financial position reported in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized when the estimates are revised and in any future periods affected.

New Accounting Pronouncements

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments, which amended IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures. The amendments clarify the date on which certain financial assets and financial liabilities are recognized and derecognized (including liabilities settled through electronic payment systems), clarify the classification of financial assets with contingent features (such as ESG-linked features) under the "solely payments of principal and interest" assessment, and introduce additional disclosures. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with early adoption permitted. Management is reviewing the impact of these amendments, but they are not expected to have a material impact on the consolidated financial statements.

In April 2024, the IASB issued IFRS 18, Presentation and Disclosures in Financial Statements, to replace IAS 1, Presentation of Financial Statements, effective January 1, 2027, with early adoption permitted. The new standard is aimed to set out overall requirements for presentation and disclosures in the financial statements. Management is reviewing the impact the standard will have on the consolidated financial statements.

Financial Instruments

As at April 30, 2026, the Company's financial instruments consist of cash which is measured at FVTPL and accounts payable, promissory notes and lease liability which were measured at amortized cost. The carrying amounts of cash and accounts payable approximate fair value due to their immediate or short-term maturity. The carrying values of promissory notes was measured at the effective interest rate which approximate fair value.

The Company may be exposed to risks of varying degrees of significance from financial instruments. Management's close involvement in the operations allows for the identification of risks and variances from expectations. A discussion of the types of risks the Company is exposed to and how such risks are managed by the Company is provided in note 13 to the Annual Financial Statements.

Other Risks and Uncertainties

The Company's business is subject to other risks and uncertainties that may have a material adverse effect on the Company's business, assets, liabilities, financial condition, results of operations, prospects, and cash flows and the future trading price of the common shares. Due to the nature of Izotropic's business, the legal and economic climate in which it operates and its present stage of development and proposed operations, Izotropic is subject to significant risks. Please see a complete list of Risk Factors below.

Risk Factors

The operations of the Company are highly speculative and notably involve risks inherent to the Company's capacity to successfully implement its solutions with the customers it is currently servicing and its ability to market such solutions. The risks and uncertainties set out below and the additional risks and uncertainties incorporated by reference herein are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. The Company's business is subject to significant risks and past performance is no guarantee of future performance.

Risks Relating to the Company's Business

Negative Cash Flow from Operating Activities

The Company has no history of earnings and had negative cash flow from operating activities since inception. To date, the Company has not generated any revenues from the sales of IzoView. The Company has accumulated net losses and expects to continue to incur such losses until such time as milestone payments from collaborative partners, licensing fees, product sales or royalty payments generate sufficient revenues to fund its continuing operations.
The Company's ability to attain profitability will depend on a number of factors, some of which are outside its control. These factors include the following:

- its ability to obtain necessary government and regulatory approvals, including FDA market authorization;
- its ability to successfully complete the design and development of the Commercial Unit;
- its ability to successfully commercialize IzoView;
- its ability to protect the intellectual property granted to the Company under the License Agreement;
- the success of its sales and marketing efforts;
- its ability to maintain its competitive advantages;
- new developments in the area of cancer detections and the efficacy of competing technologies;
- market acceptance of its products and services;
- its ability to raise additional capital as and when needed and on acceptable terms; and
- recruitment ability of clinical study sites, cancer positivity rates at each site.

No Production History

The Company has no product sales history and its ultimate success will depend on its operating ability to generate cash flow from sales of its products and services in the future. The Company has not generated any revenue to date and there is no assurance that it will do so in the future.

The Company's business operations are at an early stage of development and its success will be largely dependent upon the outcome of its ultimate strategy of successfully developing and marketing IzoView.

The ability of the Company to satisfy the terms of the License Agreement and maintain the License in good standing

The Company has been granted an exclusive license to the Inventions pursuant to the License Agreement. The Company's rights and obligations are outlined in the License Agreement. The License Agreement requires the Company to complete the License Agreement Milestones. Failure to complete the License Agreement Milestones could allow the Licensor to terminate the License Agreement. The License Agreement may also be terminated by the Licensor if certain other conditions occur. If the Company's relationship with the Licensor were to terminate, the Company would not be able to distribute and commercialize IzoView and might not be able to enter into another license agreement with an entity with similar technologies on acceptable terms or at all. As a result, the Company could experience delays in its ability to distribute and commercialize IzoView or a similar technology, all of which would have a material adverse effect on the Company's business, results of operations and financial condition.

The ability of the Company to complete the design and development of the Commercial Unit, as well as create a physical prototype of the Commercial Unit

Recently, the Company ended its partnership with Starfish Medical but continues to work with researchers at UC Davis and third-party engineers at an established development facility in the US which was completed in August of 2022. The Company's engineers and third-party engineers continue to improve the initial iteration and prototype of the future Commercial Unit. The Company released the first physical device in January 2023.

Upon completion of the manufacturing of the initial prototype unit, electrical testing and certification will be required for the completion of additional units specifically for the clinical study. Regulatory authorities will need to approve the use of these units for the clinical study prior to shipping to the clinical study sites. The Company is also dependent on each clinical trial site to reserve appropriate space and facilitate necessary internal processes to initiate a study at the institution. The Company anticipates the commencement of the initial clinical study in first half of 2027, but there are no assurances that the Company will receive the various required approvals for the unit by this date.

If this is the case, the Company could experience delays in its ability to begin the clinical study and hence delay the commercialize launch of IzoView, all of which could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company's ability to timely obtain regulatory approvals, including FDA approval, in order to satisfy the terms of the License Agreement

Under the revised License Agreement, under the June 4, 2025 License Agreement Amendment, Izotropic must submit an application to the FDA by March 31, 2026 (completed), obtain FDA or equivalent foreign agency approval by March 31, 2032, and achieve first commercial sale by December 31, 2033.

The FDA might not approve market authorization the Commercial Unit or might delay approval. As a result, the Company could experience delays in its ability to distribute and commercialize IzoView, all of which would have a material adverse effect on the Company's business, results of operations and financial condition.

The Company's products and operations are subject to extensive regulation in the U.S. by the FDA. The FDA regulates the development, bench and clinical testing, manufacturing, labeling, storage, record keeping, promotion, sales, distribution and post market support and reporting of medical devices in the U.S. to ensure that medical products distributed in the U.S. are safe and effective for their intended uses. In order to market certain products for use in the U.S., the Company generally must first obtain clearance from the FDA pursuant to the Federal Food, Drug and Cosmetic Act (previously defined as the "**FDCA**").

To be able to provide the Company's products in other countries, the Company must obtain regulatory market authorization and comply with the regulations of those countries which may differ substantially from those of the U.S. These regulations, including the requirements for market authorization and the time required for regulatory review, vary from country to country. Obtaining and maintaining foreign regulatory approvals is complex, and the Company cannot be certain that it will receive regulatory approvals in any foreign country in which the Company plans to market the Company's products, or to obtain such approvals on a favorable schedule. If the Company fails to obtain or maintain regulatory approval in any foreign country in which the Company plans to market the Company's products, the Company's ability to generate revenue will be harmed.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to be successful in pursuing its ultimate strategy of successfully developing and marketing IzoView. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future operations. Revenues, taxes, costs, capital expenditures, operating expenses, regulatory approvals, and the political environment are all factors which will have an impact on the amount of additional capital that may be required. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, incur financial penalties, or reduce or terminate its operations.

The Company's ability to timely enter into leasing agreements with hospitals and clinics to lease IzoView

Neither the Company nor Izotropic Imaging Corp. has entered into any revenue generating agreements with hospitals or clinics for IzoView. The Company's success will be largely dependent upon the outcome of its strategy of successfully developing and marketing IzoView and entering into revenue generating agreements with hospitals and clinics once it has obtained necessary regulatory approvals. Competition

The Company competes with numerous other research-based imaging companies and organizations that develop, manufacture, market, and sell proprietary imaging technologies, solutions, and products that may possess greater financial resources and technical facilities than the Company in proprietary diagnostic and imaging products for breast cancer, as well as the recruitment and retention of suitably qualified individuals. These competitors may introduce new products or develop technological advances that compete with the Company. The Company cannot predict the timing or impact of competitors introducing new products or technological advances. Such competing products may be safer, more effective, more effectively marketed or sold, or have lower prices or superior performance features than the Company's products, and this could negatively impact the Company's business and results of operations.

Laws and regulations affecting government benefit programs could impose new obligations on the Company, require it to change its business practices, and restrict its operations in the future

The healthcare industry is subject to various federal, state and international laws and regulations pertaining to government benefit programs reimbursement, rebates, price reporting and regulation, and healthcare fraud and abuse. Violations of these laws may be punishable by criminal and/or civil sanctions, including, in some instances, substantial fines, imprisonment, and exclusion from participation in federal and state healthcare programs. These laws and regulations are broad in scope and they are subject to change and evolving interpretations, which could require the Company to incur substantial costs associated with compliance, or to alter one or more of its sales or marketing practices. In addition, violations of these laws, or allegations of such violations, could disrupt the Company's business and result in a material adverse effect on its business and results of operations.

The international nature of the Company's business subjects it to additional business risks that may cause its revenue and profitability to decline

The Company's business is subject to risks associated with doing business internationally, including in emerging markets. As the Company's market is global, the Company faces risks that may include:

- Fluctuations in currency exchange rates;
- Multiple legal and regulatory requirements that are subject to change and that could restrict the Company's ability to manufacture, market, and sell its products;
- Trade-protection measures and import or export licensing requirements;
- Difficulty in establishing staffing and managing operations;
- Differing labour regulations;
- Inflation, recession, and fluctuations in interest rates;
- Political and economic instability; and
- Price and currency exchange controls, limitations on participation in local enterprises, expropriation, nationalization, and other governmental action.

The aforementioned risks may have a material adverse effect on the Company's revenues and profitability.

Technological change

The digital imaging industry is susceptible to technological advances and the introduction of new products

utilizing new technologies. Further, the digital imaging industry is also subject to changing industry standards, market trends and customer preferences, and to competitive pressures which can, among other things, necessitate revisions in pricing strategies, price reductions and reduced profit margins. The Company's success will depend on its ability to secure technological superiority in its products and maintain such superiority in the face of new products. While the Company believes that its products will be competitive, no assurances can be given that the Company's products will be commercially viable or that further modification or additional products will not be required to meet demands or to make changes necessitated by competitors' developments that might render the Company's products less competitive, less marketable, or even obsolete over time.

Management of growth

The Company may be subject to growth-related risks, including capacity constraints and pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train, and manage its employee base. Inability of the Company to deal with this growth could have a material adverse impact on its business, operations, and prospects.

Protection of intellectual property

Although the Company does not believe that its products infringe on the proprietary rights of any third parties, there can be no assurance that infringement or invalidity claims (or claims for indemnification resulting from infringement claims) will not be asserted or prosecuted against the Company or the Licensor or that any such assertions or prosecutions will not materially adversely affect the Company's business, financial condition, or results of operations. Regardless of the validity or the successful assertion of such claims, the Company could incur significant costs and diversion of resources with respect to the defense thereof, which could have a material adverse effect on the Company's business, financial condition, or results of operations. The Company's performance and ability to compete are dependent to a significant degree on the proprietary technology licensed to it under the License Agreement. The Company relies on the patents and a combination of copyright and trade secret laws, as well as confidentiality agreements and technical measures, to establish and protect the proprietary rights of the Inventions. As part of its confidentiality procedures, the Company generally enters into agreements with its employees and consultants and limits access to and distribution of its documentation and other proprietary information.

Accordingly, while the Company will endeavor to protect the intellectual property licensed to it under the License Agreement, there can be no assurance that the steps taken by the Company will prevent misappropriation of that technology or that agreements entered into for that purpose will be enforceable. The laws of other countries may afford the Company little or no effective protection of its intellectual property or the intellectual property of the Licensor.

Product Liability Claims

The Company may become subject to liability in connection with the use of IzoView, such as unusual litigation claims that cannot be insured against or against which it may elect not to be so insured because of high premium costs or other reasons. The Company has agreed to indemnify the Licensor under the License Agreement with respect to certain types of claims. However, the Company may incur a liability to

third parties (in excess of any insurance coverage) arising from damage or injury.

Risks Relating to the Company's Management

Conflicts of Interest

The Company's directors and officers may act as directors and/or officers of other companies engaged in the development of diagnostic products for the early detection of breast cancer. As such, the Company's directors and officers may be faced with conflicts of interests when evaluating alternative opportunities. In addition, the Company's directors and officers may prioritize the business affairs of another Company over the affairs of the Company.

The Company's future performance is dependent on its management team

The Company has a small management team, and the loss of any key individual could affect the Company's business. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

Risks Relating to the Company's Common Shares

Substantial number of authorized but unissued Common Shares

The Company has an unlimited number of Common Shares that may be issued by the Board without further action or approval of the Company's shareholders. While the Board is required to fulfill its fiduciary obligations in connection with the issuance of such Shares, the Shares may be issued in transactions with which not all shareholders agree, and the issuance of such Shares will cause dilution to the ownership interests of the Company's shareholders.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of the Common Shares. If the Company issues Common Shares from its treasury for financing purposes, control of the Company may change and purchasers may suffer additional dilution.

Liquidity of the Common Shares

Having listings on public stock exchanges should not be taken as implying that there will be a liquid market for the Common Shares. Thus, an investment in the Common Shares may be difficult to realize. Investors should be aware that the value of the Common Shares may be volatile. Investors may, on disposing of Common Shares, realize less than their original investment, or may lose their entire investment. The Common Shares, therefore, may not be suitable as a short-term investment.

The market price of the Common Shares may not reflect the underlying value of the Company's net assets. The price at which the Common Shares will be traded, and the price at which investors may realize their Common Shares, will be influenced by a large number of factors, some specific to the Company and its proposed operations, and some which may affect the sectors in which the Company operates. Such factors could include the performance of the Company's operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating

to the business of the Company, and general market and economic conditions.

Volatility of the Common Shares

The share price of publicly traded smaller companies can be highly volatile. The value of the Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Common Shares.

Current market volatility

The securities markets in the U.S. and Canada may experience price and volume volatility, and the market prices of securities of many companies may experience wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company. The value of the Common Shares distributed hereunder will be affected by such volatility.

Tax issues

Income tax consequences in relation to the securities offered will vary according to the circumstances of each purchaser. Prospective purchasers should seek independent advice from their own tax and legal advisers prior to subscribing for the securities.

General

Although management believes that the above risks fairly and comprehensibly illustrate all material risks facing the Company, the risks noted above do not necessarily comprise all those potentially faced by the Company as it is impossible to foresee all possible risks.

Controls and Procedures

In connection with National Instrument 52-109 ("**NI 52-109**"), the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Annual Financial Statements and accompanying MD&A (together the "Annual Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR+ at www.sedarplus.ca.

Disclosure Controls and Procedures

Disclosure controls and procedures ("**DC&P**") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("**ICFR**") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

Venture companies are not required to provide representations in the Annual Filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. 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.

Summary of Outstanding Share Data

As at April 30, 2026, the Company had the following issued and outstanding securities:

Description of securities	Number of securities
Issued and outstanding common shares	69,724,679
Warrants	23,723,658
Stock options	5,660,000

As at the date of this MD&A, the Company had the following issued and outstanding securities:

Description of securities	Number of securities
Issued and outstanding common shares	70,574,679
Warrants	23,623,658
Stock options	5,460,000