The following information, prepared as of October 28, 2021, should be read in conjunction with the audited consolidated financial statements of Wellteq Digital Health Inc. (formerly Terra Nova Resources Inc.) ("Terra Nova") (the "Company" or "Wellteq") for the year ended June 30, 2021. The referenced consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars ($) or Australian dollars (AUD$).

The MD&A is the responsibility of management. The Board of Directors has approved this MD&A after receiving the recommendation of the Company's Audit Committee.

Forward-looking Statements

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans", "intends", "anticipates", "should", "estimates", "expects", "believes", "indicates", "suggests" and similar expressions.

This MD&A, and in particular, the "Outlook" section contains forward-looking statements. These forward-looking statements include without limitation: statements about the Company's plans and outlook. As such, all forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

It is important to note that unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of October 28, 2021. Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Such risks and other factors include, among others, risks related to operations as well as those factors discussed in the section entitled "Risk Factors" appearing elsewhere herein. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize; and subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see **Risks and Uncertainties**.

General

Wellteq Digital Health Inc. (formerly Terra Nova Resources Inc.) was incorporated under the Canada Business Corporations Act and was continued under the British Columbia Business Corporations Act on September 27, 2017. Terra Nova's principal business was the acquisition and exploration of petroleum and natural gas properties. The main asset of Terra Nova was its interest in Australian Petroleum Exploration Licenses 112 and 444 (the "Business") held through its two Australian subsidiaries. In October 2019, Terra Nova completed the sale of a 30.833% interest in the licenses and in December 2020, Terra Nova sold the remaining 20.6667% interest.

On March 19, 2021, Terra Nova acquired the issued and outstanding common shares of Wellteq Ltd ("Wellteq PrivateCo"), a leading provider of corporate wellness solutions within the Asia Pacific market, and CBDS Health Inc. ("CBDS"), a company focused on the development of Internet of Medical Things connected patient applications for medical research, clinical trials and primary healthcare. As a result of this transaction, the shareholders of Wellteq PrivateCo were determined to control the resulting issuer and the transaction was accounted for as a reverse takeover ("RTO"). Wellteq PrivateCo has been identified as the acquirer, and accordingly the entity is a continuation of Wellteq PrivateCo with the net assets of Terra Nova and CBDS at the date of the RTO determined to have been acquired by Wellteq

PrivateCo. The consolidated financial statements include the results of operations of Terra Nova and CBDS from March 19, 2021. The comparative figures are those of Wellteq PrivateCo.

On March 5, 2021, Terra Nova Resources Inc. changed its name to "Wellteq Digital Health Inc.".

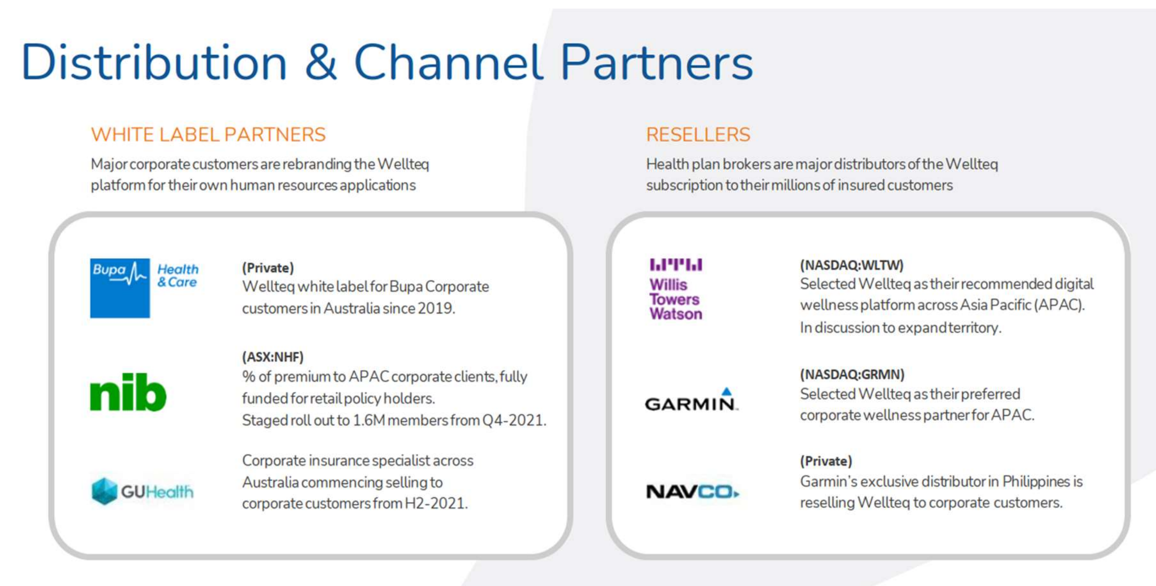
On March 23, 2021, the common shares of the Company commenced trading on the Canadian Securities Exchange (the "CSE") under the ticker symbol "WTEQ". On May 4, 2021, the Company's shares began trading on the OTCQB Venture Market under the trading symbol "WTEQF".

The Company's registered head office is located at Suite 880, 580 Hornby Street, Vancouver, British Columbia, Canada.

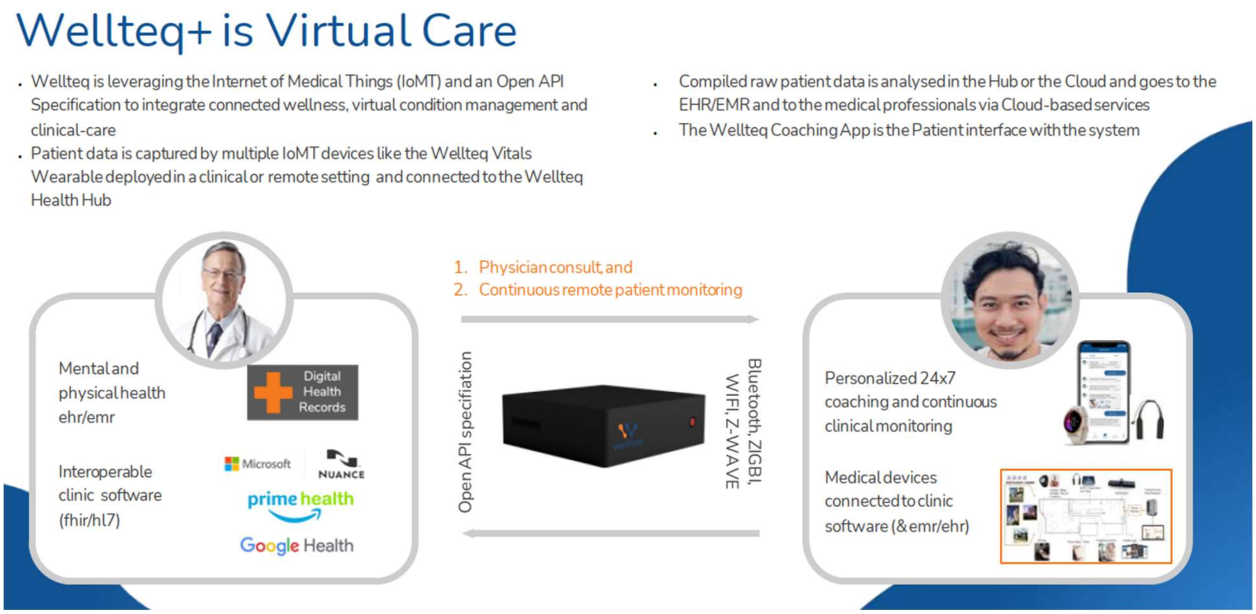
Overall Performance

News from the Fourth Quarter:

On April 27, 2021, the Company launched a comprehensive health and wellness solution in co-operation with Garmin International Inc., a unit of Garmin and Singapore health and fitness leader UFIT. As employers in a growing number of countries are welcoming their employees back to office environments, they can now take innovative approaches to helping protect the health of their staff with a range of individual well-being and organizational benefits.



On May 3, 2021, the Company launched beta production of its new Internet of Medical Things (IoMT) HealthHub and API-as-a-service (application programming interface) offering, targeting commercial release later this year. Wellteq is leveraging the IoMT to fast-track its capabilities within condition management and virtual primary care. The Company calls its IoMT condition management and virtual primary care platform Wellteq Plus. Together, the Wellteq mobile application and the Wellteq Plus IoMT platform follow the user across the continuum of care, from wellness to virtual primary care. In addition, Wellteq now also has the capability to completely fabricate hardware prototypes in-house, through its recently completed prototype lab. The Company has also secured a partnership with a global end-to-end manufacturing, logistics and warranty provision and management entity that is expected to bring further significant cost benefits and reduce Wellteq's overhead in delivering its IoMT solution to end-users. The Company is targeting commercial release later this calendar year.



On May 4, 2021, the Company announced its shares had commenced trading in the United States under the symbol WTEQF. The shares trade on the Pink Open Market tier, and the Company has submitted its application to up list onto the OTCQB Venture Market. The Company also confirmed that its shares are DTC (Depository Trust Company) eligible in the United States.

On May 6, 2021, the Company announced the launch of a partnership with ClassPass, the world's largest aggregator of fitness and wellness experiences with a network that includes 40,000 health and fitness businesses across 30 countries around the world. This partnership with ClassPass expands the Company's digital health and wellness platform to now include virtual and in-studio fitness classes. Roughly one-third of the global adult population is not meeting the minimum weekly level of physical activity recommended by the World Health Organization. ClassPass's localized fitness classes and on-line in-home workouts, combined with the Company's current physical activity, coaching functionalities and wearable data tracking, will bring unrivalled precision wellness to end-users. For both employers and insurance providers, this innovative data-driven wellness solution ensures safe and expert guidance to employees and policyholders alike. For employers, this partnership offers an on-line/off-line solution for their work force that spans the full wellness spectrum, including easy, localized access to gyms and studios as well as home-based health monitoring. The combined solution provides employees with the right tools to stay active and maintain their activity level during periods of lockdown or work-from-home mandates during the continuing health crisis. This combined enterprise solution will initially be made available in Australia, New Zealand, Singapore, Hong Kong, Thailand, the Philippines and India, with plans to extend into other regions.

On May 13, 2021, the Company announced a signed letter of intent detailing the general terms of a strategic partnership with Frontier Wellness Management and its operating subsidiary, Apotheek Pharma Consulting (FW-APC), in the European Union. The FW-APC team have a combined 100 years of experience focused on marketing health and wellness solutions into their unique network of 140,000 medical professionals in the health care, pharmacy and pharmaceutical markets in Spain. Upon execution of a formal strategic partnership agreement, FW-APC will advance 100,000 euros to the Company. This amount will be applied toward immediate marketing, application localization, development and integration.

On June 10, 2021, the Company announced a signed letter of intent detailing the general terms of a strategic partnership with CANImmunize Inc., an Ottawa-based technology company specializing in immunization software solutions. The strategic partnership will create varied offerings incorporating digital vaccination records and enterprise wellness for a variety of corporate customers initially across Canada and Asia Pacific, then more broadly. The CANImmunize team has over a decade of experience developing digital immunization solutions for businesses, health care organizations and governments, including COVID-19 vaccination software. CANImmunize has developed the internationally recognized CANImmunize app, a pan-Canadian digital immunization tracking system that helps Canadians keep track of their vaccinations with a mobile app and web portal.

On June 23, 2021, the Company announced the strengthening of its collaboration with Garmin, a leading global provider of smartwatches, fitness trackers, and digital health solutions, to offer new enterprise wellness solutions in the Asia Pacific region in response to recent COVID-19 surges. Wellteq's new digital platform focuses on key health indicators to help improve overall wellbeing with flat-fee, quick-to-launch solutions that include discounted Garmin wearables, free access for adult family members, and availability in multiple languages.

News Subsequent to the Fourth Quarter:

On July 15, 2021, the Company released the results of its annual general meeting (AGM) held on July 15, 2021. The Company further announced the appointment of Andrea C. Johnson to the Board of Directors of Wellteq.

On August 4, 2021, the Company announced that it has partnered with LifeSpeak (TSX: LSPK), the mental health and wellbeing platform for employee and customer-focused organizations, to provide expert-led mental health and wellness education resources to Wellteq customers across the Asia Pacific market (APAC). This partnership leverages Wellteq's digital health ecosystem and LifeSpeak's extensive content library to empower a healthier, happier workforce through personalized wellness.

On August 9, 2021, the Company announced it has been approved for quotation on the OTCQB, operated by the OTC Market Groups. The Company's common shares will begin trading on the OTCQB at the opening of the market under the stock symbol "WTEQF" and will remain listed on the Canadian Securities Exchange under the ticker symbol "WTEQ".

On August 12, 2021, the Company announced a signed global Master Services Agreement for 5 years with Northern Trust Corporation, a leading provider of wealth management, asset servicing, asset management and banking to corporations, institutions, families, and individuals. Northern Trust is the fourth largest financial institution headquartered in the USA (with approximately 20,000 employees globally).

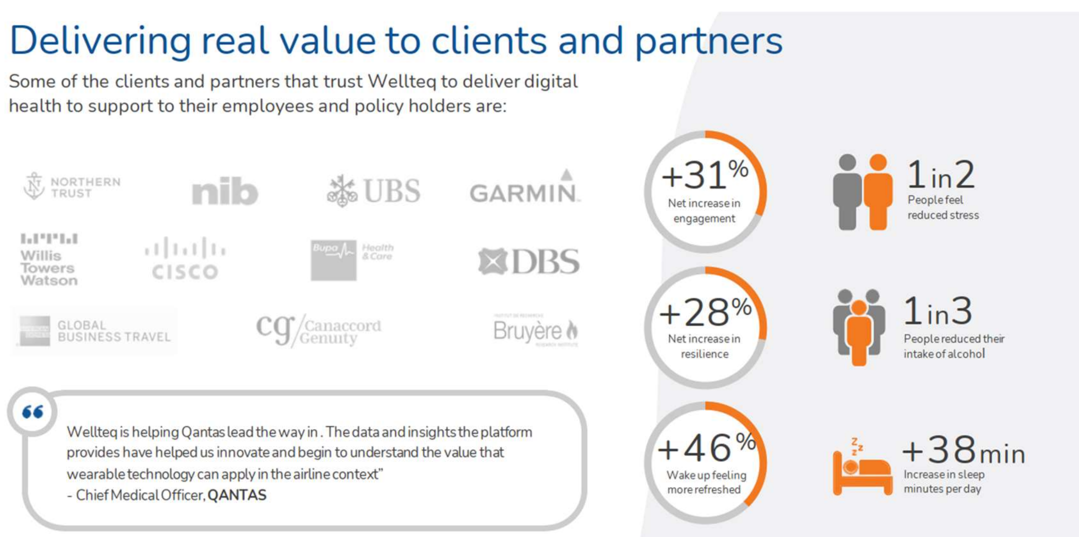
On September 13, 2021, the Company announced it will be participating in the Virtual Gravitas Health Reimagined Investor Day taking place Thursday, September 16th, 2021. This year's Gravitas Health Reimagined Investor Day will feature leaders in the healthcare space and will be virtually attended by institutional and retail investors from North America and abroad.

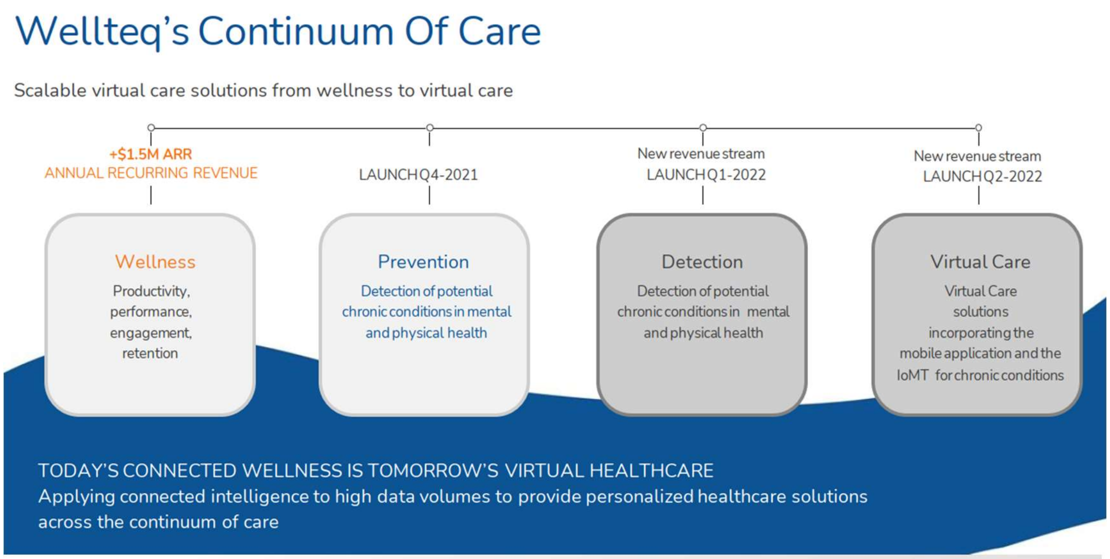
On September 15, 2021, the Company provided a corporate update. The Company expects revenue to accelerate further through FY22 now that the Company is deploying invested capital into growing the sales and marketing team. Wellteq continues to hold significant cash reserves to fuel advancing growth initiatives. As of June 30, 2021, Wellteq held CAD$7.5M cash at bank. These reserves provide the Company with substantial resources to grow revenue organically and inorganically toward positive EBITDA which the Company plans to achieve in FY2023.

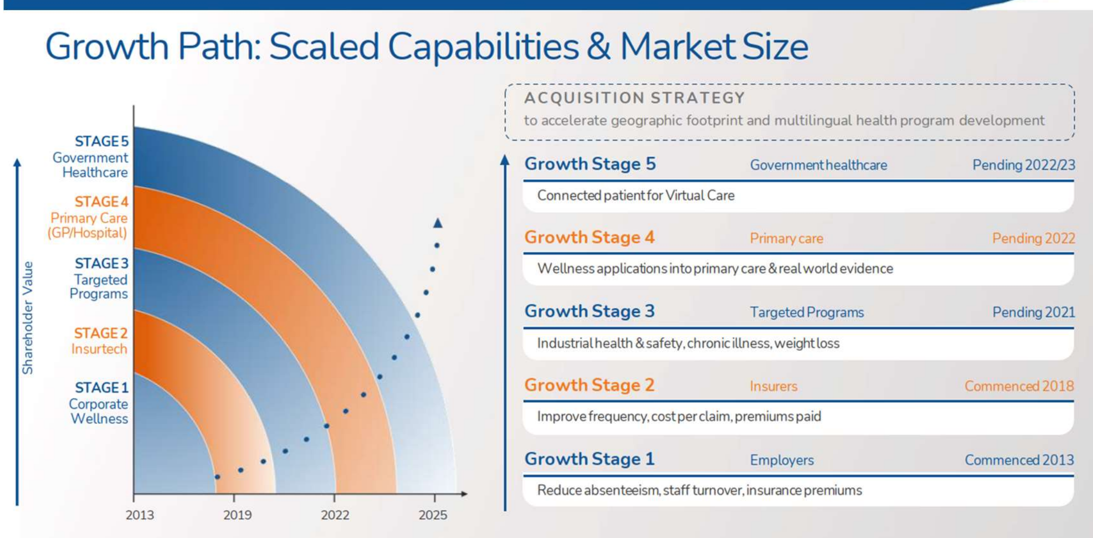
On September 24, 2021, the Company announced that, effective September 16, 2021, Baker Tilly WM LLP (the "Successor Auditor") has been appointed as auditor for the Company. Dale Matheson Carr-Hilton Labonte LLP (the "Former Auditor") has voluntarily resigned as auditor for the Company. The Company confirms that there have been no modified opinions in the Former Auditor's reports during the "relevant period" as that term is defined in Section 4.11 of National Instrument 51-102 Continuous Disclosure Obligations (""NI 51-102").

On October 21, 2021, the Company announced that Wellteq has acquired a perpetual license for digital sleep tech intellectual property. The perpetual license agreement includes sleep chronotype assessments and education content from one of Asia Pacific's leading sleep technology companies. Wellteq intends to promptly integrate newly licensed sleep assets into the existing corporate health solution and accelerate development of clinical sleep solutions.

On October 26, 2021, the Company announced that Wellteq has signed a Letter of Intent to commercialize sleep technology developed by Monash University, Australia, to combat fatigue, insomnia and burnout in shift worker employees. Wellteq intends to integrate this intellectual property along with the sleep technology acquired on October 21.







Reverse Takeover

In August 2020, Wellteq Digital Health Inc. (formerly Terra Nova Resources Inc.) entered into definitive agreements to acquire all of the outstanding shares of Wellteq Limited and CBDS Health Inc. (the acquisition of Wellteq and CBDS being collectively referred to as the "Transaction").

Terra Nova entered into a Bid Implementation Agreement dated August 11, 2020, and amended October 6, 2020 (as amended, the "Wellteq Agreement"), pursuant to which Terra Nova made an offer to shareholders of Wellteq PrivateCo to acquire all of the outstanding ordinary shares of Wellteq PrivateCo in exchange for a total of 31,778,500 common shares of the Company. Holders of 99.74% of the outstanding Wellteq shares accepted the takeover offer. As a result, on closing of the Transaction, Terra Nova issued a total of 31,694,289 common shares to the former shareholders of Wellteq PrivateCo. Following the Transaction, the Company exercised compulsory acquisition rights provided for under Australian law to acquire the remaining 84,211 outstanding ordinary shares of Wellteq.

Concurrent with the entry into the Wellteq Agreement, Terra Nova entered into an Amalgamation Agreement dated August 11, 2020, and amended October 27, 2020 (as amended, the "CBDS Agreement") with CBDS and 1259724 B.C. Ltd. ("Newco"), Terra Nova's wholly owned subsidiary formed for the purpose of completing the acquisition of CBDS. Pursuant to the terms of the CBDS Agreement, Terra Nova acquired all of the outstanding shares of CBDS by way of a three-cornered amalgamation, whereby CBDS amalgamated with Newco (the "CBDS Amalgamation") and the resulting amalgamated entity is a wholly owned subsidiary of Terra Nova. As set forth in the CBDS Agreement, Terra Nova issued to the shareholders of CBDS 0.5 common shares for each CBDS common share outstanding, for a total of 32,145,062 common shares of Terra Nova. Terra Nova also issued 6,611,532 replacement warrants to CBDS warrantholders. 5,828,058 of the replacement warrants are exercisable into common shares at $0.30 per share up to March 23, 2022 and 783,474 replacement warrants are exercisable into common shares at $0.60 per share up to March 23, 2022.

On March 19, 2021, Wellteq completed the reverse takeover with Terra Nova and CBDS and on March 23, 2021 the Company's shares commenced trading on the Canadian Securities Exchange under the trading symbol "WTEQ".

The substance of the acquisition is a reverse takeover. The shareholders of Wellteq PrivateCo held 43.8% of the resulting issuer shares, Terra Nova shareholders held 11.9% of the resulting issuer shares and CBDS shareholders held 44.3% of the resulting issuer shares. Due to the composition of the Board of Directors and management of Wellteq, Wellteq PrivateCo was the accounting parent company (legal subsidiary) and Terra Nova has been treated as the accounting subsidiary (legal parent) in the consolidated financial statements. As Wellteq PrivateCo was the acquirer for accounting purposes, its assets, liabilities and operations since incorporation are included in the consolidated financial statements at their historical carrying values. Terra Nova and CBDS's results of operations have been included from March 19, 2021.

As the acquisition of Terra Nova and CBDS did not constitute business combinations, the transactions were accounted for as share-based payments and an asset acquisition respectively whereby equity instruments issued were recognized at fair value and allocated to the net assets acquired (liabilities assumed). Any difference is the value of the listing which was expensed on completion of the RTO.

The consideration paid to acquire Terra Nova was the fair value of replacement options and common shares issued by Wellteq PrivateCo which had a fair value of $2,147,890. These are the 8,653,265 shares retained by the Terra Nova shareholders and 510,000 options that remained outstanding. The fair value of the 8,653,265 common shares was determined based on a share price of $0.24 observed on March 23, 2021, first day of trading on the CSE. The purchase price was allocated to the net assets acquired as follows:

Net assets acquired	**$**
Assets acquired	
Cash	12,535
Receivables	8,555
Prepaid expenses	255,085
Liabilities assumed	
Accounts payable and accrued liabilities	(85,016)
Net assets as at March 19, 2021	191,159
Consideration paid	
Fair value of 8,653,265 common shares issued	2,076,784
Fair value of 510,000 replacement options	71,106
Total consideration paid	2,147,890
Listing expense	**1,956,731**

The consideration paid to acquire CBDS was the fair value of replacement warrants and common shares issued by Wellteq PrivateCo which had a fair value of $8,184,202. These are the 32,145,062 shares issued to the CBDS shareholders and 6,611,532 warrants that remained outstanding. The fair value of the 32,145,062 common shares was determined based on a share price of $0.24 observed on March 23, 2021, first day of trading on the CSE. The purchase price was allocated to the net assets acquired as follows:

Net assets acquired	**$**
Assets acquired	
Cash	860
Receivables	41,417
Prepaid expenses	193,000
Investments	3,000
Intangible assets	6,524,465
Loan due from Wellteq PrivateCo	1,591,911
Liabilities assumed	
Accounts payable and accrued liabilities	(98,238)
Loans	(72,213)
Net assets as at March 19, 2021	8,184,202
Consideration paid	
Fair value of 32,145,062 common shares issued	7,714,815
Fair value of 6,611,532 replacement warrants	469,387
Total consideration paid	8,184,202

Selected Annual Information

The following is a summary of certain selected financial information of the Company as at and for the years ended June 30, 2021, 2020, and 2019.

	June 30, 2021	**June 30, 2020**	**June 30, 2019**
Total Revenues	1,509,879	1,198,783	694,193
Net Loss	(7,749,335)	(528,990)	(1,555,407)
Loss Per Share (basic and diluted)(1)	(0.15)	(0.02)	(0.07)
Total Assets	14,532,008	968,576	569,998
Total Non-current Financial Liabilities	-	1,128,314	92,816
Dividends	-	-	-

(1) The basic and diluted loss per share calculations result in the same amount due to the anti-dilutive effect of outstanding stock options and warrants.

The increased loss during the year ended June 30, 2021 was due primarily to the Transaction with Terra Nova and CBDS. Included in the loss during fiscal 2021 was $1,956,731 of listing expense relating to the acquisition of Terra Nova. Additional general and administrative expenses and employment costs were also incurred in fiscal 2021. Total assets increased during fiscal 2021 due to the acquisition of CBDS as well as completing an equity financing.

Discussion of Operations

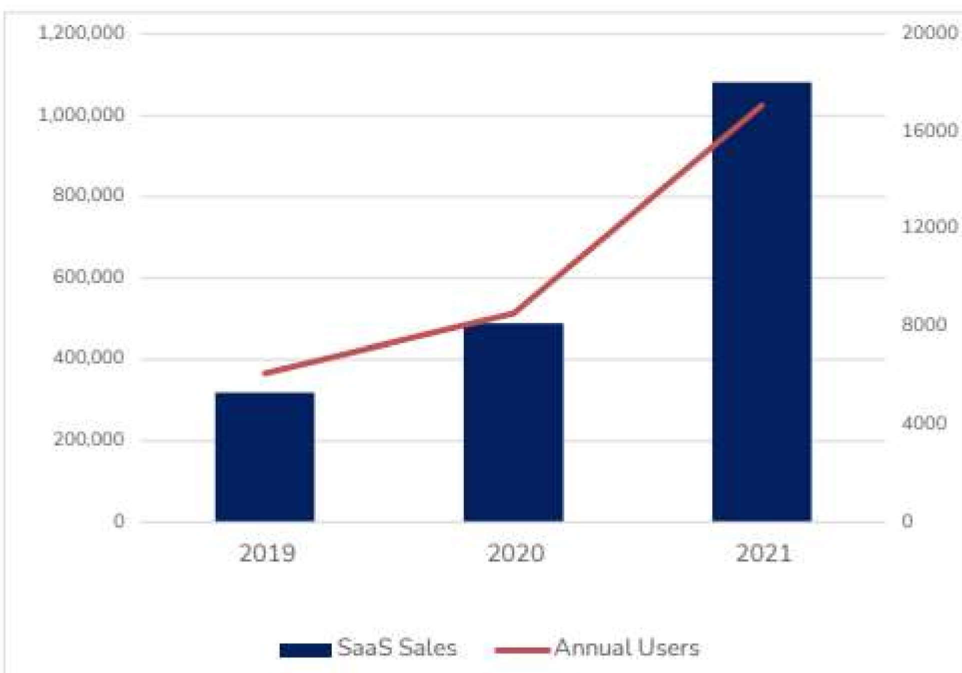
Year ended June 30, 2021
The Company recorded a loss of $7,749,335 ($0.15 per share) for the year ended June 30, 2021 as compared to a loss of $528,990 ($0.02 per share) for the year ended June 30, 2020. Details of changes in certain revenues and expense items over the years are as follows:

Operating revenues increased 26% during FY21 to $1,509,879 (2020 - $1,198,783). Operating revenue consists of the provision of cloud based software services, consulting, sales of hardware devices and other revenue. Details of operating revenues by segment are as follows:

	2021 $	2020 $
Software services	1,087,480	488,025
Consulting and service delivery	414,398	664,684
Other revenue	8,001	46,074
Total operating revenue	1,509,879	1,198,783

Total operating revenue has grown 26% to $1,509,879 (2020 - $1,198,783). The growth in operating revenue during the period was primarily due to the acquisition of new customers on to the Wellteq software platform, the retention of customers that signed on during the 2020 financial year and an expansion of revenue from those customers.

Revenue from software services grew 123% to $1,087,480 (2020 – $488,025) as the Company transitioned away from providing one off consulting-based income towards a recurring software-based service model to its customers. The provision of software services will continue to be the primary service delivery model for the Company in FY22 and beyond.



Due to this transition to software services, consulting and service delivery revenue decreased 37.6% to $414,398 (2020 - $664,684). The Company will continue to transition its commercial model away from one off consulting arrangements and towards long term recurring revenue relationships with its customers.

Cost of sales of $470,003 (2020 - $363,172) is comprised of webhosting costs incurred in hosting the Company's software service, the costs of providing participant prizes and incentives and software service costs incurred in directly supporting end users. The Company's gross margin has marginally decreased to 68.9% (2020 – 69.7%) while growing operating revenue 26% on the prior comparative year. Since listing, the Company has been working to update its product and migrate and consolidate its existing hosting infrastructure to allow faster and more efficient scalability. This has resulted in some inflation in hosting costs as services have been transitioned across platforms. The Company will continue to focus on the ability to deliver its software service at scale to further improve its gross margin.

General and administrative expenses of $5,420,148 (2020 - $1,515,680) include legal fees, accounting and audit fees, recruitment costs, marketing expenses and other general administrative expenses. Additional items included in general and administrative expenses are salaries, management fees, director fees and employee benefits as well as IT development costs. The increase in expenses year over year was primarily due to costs associated with the acquisition of Terra Nova and CBDS and additional staff costs.

Legal, audit and accounting fees during the year ended June 30, 2021 were $422,641 (2020 - $61,763) with an additional approximate $440,000 being incurred by Terra Nova prior to the acquisition date and not included in the Company's general and administrative expenses.

Salaries, management fees, directors fees and employee benefits of $2,540,170 (2020 - $884,172) increased as a result of hiring a number of new employees across all divisions, including the appointment of a Chief Technology Officer, Chief Growth Officer, Chief Medical Officer, in addition to finance, product customer success and administrative staff. Employee headcount increased and went from 8 on June 30, 2020, to 22 at June 30, 2021, an increase of 14 over the period.

IT development expenses in 2021 were $654,592 (2020 - $332,662).

The growth in administrative expenses has been driven by the growth of headcount and resources required within the Company to establish processes and systems that will be globally scalable. In particular, the Company is focusing on deploying its capital into its sales and marketing capability to grow the number of paid subscribers on the platform. Further investment is being made into developing additional revenue streams across the continuum of care.

Investor relations and marketing expense of $489,360 (2020 - $8,193) are costs incurred to bring awareness to current and potential investors. The investor relations expense increased since the Company became listed in March 2021.

Depreciation and amortization of $449,447 (2020 - $158,264) includes the amortization of intangible assets including capitalized development costs.

Share-based payments – stock options of $1,036,521 (2020 - $nil) represents the value of 7,540,000 stock options granted in March 2021.

Listing expense of $1,956,731 (2020 - $nil) relates to the reverse takeover with Terra Nova. The listing expense represents the fair value of shares and warrants issued in excess of the book value of Terra Nova net assets acquired.

Government grants and incentives decreased 76% during the year to $73,636 (2020 - $309,343). The decrease is a result of not recognizing a provision for the Australian Research and Development ("R&D") tax incentive for the year ended June 30, 2021. The R&D tax incentive is a refundable tax offset calculated on the amount spent on eligible R&D projects and activities. Due to the growth of the Company's development team and focus on new products and technologies since the finalization of the Transaction in March 2021, the Company has not yet quantified its eligibility for the incentive for the year ended June 30, 2021. This application will be made in the coming months and any offset received will be recognized as income in FY22.

Quarterly Information

The following is selected financial data from the Company's unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being June 30, 2021.

	Three Months Ended ($)			
	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020
Total Revenues	324,235	273,542	534,409	377,693
Net Loss	(1,993,798)	(3,934,417)	(179,651)	(1,641,469)
Loss Per Share (basic and diluted)(1)	(0.02)	(0.09)	(0.01)	(0.07)

	Three Months Ended ($)			
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Total Revenues	379,508	160,199	297,567	361,509
Net Income (Loss)	16,089	(311,513)	(124,329)	(109,237)
Income (Loss) Per Share (basic and diluted)(1)	0.00	(0.01)	(0.01)	(0.00)

(1) The basic and diluted loss per share calculations result in the same amount due to the anti-dilutive effect of outstanding stock options and warrants.

The loss during the three months ended March 31, 2021 included the $1,956,731 listing expense on acquisition of Terra Nova as well as $1,036,521 of share-based payments expense representing the value of 7,540,000 stock options granted in March 2021.

Three months ended June 30, 2021

The Company recorded a loss of $1,993,798 ($0.02 per share) for the three months ended June 30, 2021 as compared to a gain of $16,089 ($0.00 per share) for the three months ended June 30, 2020. The increase in the loss was due to the same reasons as for the increase in loss during the twelve month period described above. The increase in headcount primarily occurred during Q4, resulting in additional salaries and employee benefits.

Financing Activities and Capital Expenditures

During the year ended June 30, 2021, the following equity transactions occurred:

- On September 30, 2020, the Company issued 3,819,029 common shares on conversion of $848,486 of convertible notes;

- On September 30, 2020, the Company issued 1,835,785 common shares at the fair value of $550,736 as salary incentives. The fair value was determined by reference to the price per unit in the subscription receipt financing;

- On September 30, 2020, the Company issued 591,161 common shares at the fair value of $177,348 as directors' fees. The fair value was determined by reference to the price per unit in the subscription receipt financing;

- On September 30, 2020, the Company issued 2,262,465 common shares at the fair value of $678,740 as consulting fees. The fair value was determined by reference to the price per unit in the subscription receipt financing;

- On March 19, 2021, the Company issued 8,653,265 common shares to acquire Terra Nova at the fair value of $2,076,784. The fair value was determined based on a share price of $0.24 observed on March 23, 2021, the first day of trading on the CSE;

- On March 19, 2021, the Company issued 32,145,062 common shares to acquire CBDS at the fair value of $7,714,815. The fair value was determined based on a share price of $0.24 observed on March 23, 2021, the first day of trading on the CSE;

- On March 19, 2021 the Company completed a brokered subscription receipt financing of 31,821,161 units at $0.30 per unit for gross proceeds of $9,546,348. Each unit ("Unit") consists of one common share of the Company and one-half of one warrant, with each whole warrant entitled the holder to purchase one additional common share at a price of $0.45 per share up to March 19, 2023. Within the Unit, a value of $0.24 was attributed to the common share and $0.06 to the warrant using the residual method.

  In connection with the financing, the Company paid cash agents fees of $734,992, paid agents expenses of $341,410, issued 2,453,172 compensation warrants (the "Agents Warrants") and incurred other cash issuance costs of $8,783. Each Agents Warrant entitles the holder to purchase one Unit at a price of $0.30 per Unit up to March 19, 2023. The Company also issued 1,591,057 Units at the fair value of $477,317 ($$0.30 per Unit) to the agents as a corporate finance fee. Within the Unit, a value of $0.24 was attributed to the common share and $0.06 to the warrant using the residual method.

  The fair value of the 2,453,172 Agents Warrants of $276,266 was estimated using the Black-Scholes option pricing model with the following assumptions: stock price - $0.24; exercise price - $0.30; risk-free interest rate – 0.53%; expected life – 2.0 years; expected volatility – 100%; and expected dividends - $nil.

Liquidity and Capital Resources

As at June 30, 2021, the Company's cash balance was $7,515,765 (June 30, 2020 - $280,598) with a working capital of $7,008,266 (June 30, 2020 – working capital of $176,306). The increase in working capital was due to the net proceeds of $8,461,163 received from the brokered subscription receipt financing and $1,289,430 of loans from CBDS, among other items.

The Company's operations used $2,146,878 during the year ended June 30, 2021 (2020 - $733,615) with $278,787 (2020 - $nil) used in investing activities.

The Company's aggregate operating, investing, and financing activities during the year ended June 30, 2021 resulted in an increase in its cash balance from $280,598 at June 30, 2020 to $7,515,765 at June 30, 2021.

Management regularly reviews cash flow forecasts to determine whether the Company has sufficient cash reserves to meet future working capital requirements and discretionary business development opportunities.

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and settle its liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern is dependent upon its ability to fund its operations through equity financing, debt or other means or achieve profitable operations. Although the Company has successfully raised funds in the past, there is no assurance that it will be able to do so in the future. These factors may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and settle its liabilities in the normal course of business. The consolidated financial statements do not reflect the adjustments to the carrying value of the assets and liabilities, the reported expenses and statement of financial position classifications that would be necessary should the Company be unable to continue as a going concern, which could be material.

Transactions with Related Parties

Key management personnel are comprised of the:

- Chief Executive Officer;
- Chief Financial Officer;
- Chief Operating Officer;
- Chief Technology Officer;
- Chief Medical Officer;
- Chief Product Officer;
- Chief Growth Officer; and
- the directors of the Company.

The compensation paid or payable to key management for services is as follows:

	2021 $	2020 $
Salaries	682,636	463,587
Retirement benefits and other employment benefits	40,062	16,498
Share-based compensation	831,691	-
	1,554,389	480,085

At June 30, 2021, accounts payable and accrued liabilities included $129,595 (2020 - $8,740) owing to directors and officers of the Company and/or companies they control, of which they were significant shareholders or of which they acted as management. The amounts owing include amounts related to expenditures charged to the Company and for reimbursements of expenditures paid for on behalf of the Company. The amounts owing are unsecured, non-interest bearing and due on demand.

During the year ended June 30, 2021, the Company incurred software development costs of $738,878 (2020 - $nil) from a company controlled by the Chief Technology Officer. These software development costs are included in general and administrative expenses ($493,293) and a portion has been recognized as an intangible asset ($245,585). During the year ended June 30, 2021, the Company incurred professional and accounting services costs of $31,414 (2020 - $nil) from a company in which the Chief Financial Officer acted as management and was a significant shareholder.

Critical Accounting Estimates

The preparation of the consolidated financial statements requires management to make estimates, assumptions and judgments that affect the reported amount of assets and liabilities, and the reported amount of revenues and expenses during the period. Actual results may differ from these estimates.

Estimates, assumptions, and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized on a prospective basis beginning from the period in which they are revised.

Significant estimates and judgments include the capitalization of intangible assets and income taxes which are described further in the notes to the Company's consolidated financial statements for the year ended June 30, 2021.

Financial Instruments and Other Instruments

Discussions of risks associated with financial assets and liabilities are detailed below:

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The following is an analysis of the Company's financial assets measured at fair value:

	As at June 30, 2021		
	Level 1	**Level 2**	**Level 3**
Cash and cash equivalents	$ 7,515,765	$ -	$ -
Investments	$ -	$ -	$ 3,000
Total	$ 7,515,765	$ -	$ 3,000

	As at June 30, 2020		
	Level 1	**Level 2**	**Level 3**
Cash and cash equivalents	$ 280,598	$ -	$ -
Convertible notes	$ -	$ -	$ (825,833)
Total	$ 280,598	$ -	$ (825,833)

The carrying amounts of the Company's trade and other receivables, all trade and other payables and loans in the consolidated statement of financial position approximate their fair values due to their short-term nature.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents held with banks and financial institutions and receivables from customers. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash and cash equivalents are primarily held with a federally regulated financial institution.

The objective of the Company is to minimize the risk of loss from credit risk. Receivables balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is insignificant. While the Company is exposed to credit losses due to the non-performance of its counterparties, the Company primarily has customer contracts with large, multinational corporations where the credit risk is low, therefore, it is not considered a material risk. The Company's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

As at June 30, 2021, the Company's credit risk for accounts receivable was concentrated as 82% of its trade accounts receivable were owing from 3 customers (2020 - 96% owing from 2 customers) with more than 46% owing from one of those customers (2020 - 84% from one customer). In addition, revenue is concentrated with 91% of revenues being from 3 customers during the year ended June 30, 2021 (2020 - 89% revenues being from 3 customers).

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The Company uses the simplified approach under IFRS 9 for ECL's with respect to receivables. The expected lifetime credit loss provision for the Company's trade and other receivables is based on historical counterparty default rates and adjusted for relevant forward-looking information, as required. Since the majority of the Company's customers are considered to have low default risk and as historical default rate and frequency of losses are low, the expected credit loss allowance is nominal as at June 30, 2021.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

The following is an analysis of the contractual maturities of the Company's liabilities as at June 30, 2021:

	Within one year	Between one and five years	More than five years
Accounts payable and accrued liabilities	$ 1,029,100	$ -	$ -
Loan	47,655	-	-
Total	$ 1,076,755	$ -	$ -

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market interest rates. Except to the extent that the balance of cash and cash equivalents is earning interest and a loan payable of $47,655 bears interest at 12% per annum, the Company has no financial instruments that could otherwise be exposed to interest rate risk.

Outstanding Share Data

a) Authorized Capital:

Unlimited common shares, without par value

b) Issued and outstanding:

105,989,045 common shares as at October 28, 2021.

c) Outstanding options and warrants as at October 28, 2021:

Security	**Number**	**Exercise Price ($)**	**Expiry date**
Options	7,540,000	0.30	March 19, 2024
Agents compensation options[(1)]	3,679,758	0.30 / 0.45	March 19, 2023
Warrants	5,828,058	0.30	March 23, 2022
Warrants	783,474	0.60	March 23, 2022
Warrants	16,706,108	0.45	March 19, 2023
Total	34,537,398		

Note:
(1) These agents compensation options are exercisable into units comprised of one common share and one-half of one warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of $0.45 per share up to March 19, 2023.

Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements for year ended June 30, 2021 and this accompanying MD&A (together, the "Annual Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate 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 Interim Filings on SEDAR at www.sedar.com.

Risks and Uncertainties

For risks and uncertainties, refer to the Listing Statement filed on www.sedar.com on March 22, 2021.

Other Information

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com or on the Company's website at https://wellteq.co/