MARSHALL TECHNOLOGIES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended August 31, 2024 and period from incorporation (September 6, 2022) to August 31, 2023

(Expressed in Canadian Dollars)

OVERVIEW

The following is management's discussion and analysis ("MD&A") of the financial position of Marshall Technologies Corp. (the "Company"). The financial statements of the Company, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), Interpretations issued by the International Financing Reporting Interpretations Committee ("IFRIC").

Information contained herein is presented as of November 4, 2024, unless otherwise indicated. Additional information related to the Company is available on SEDAR+ at www.sedarplus.ca. Unless otherwise indicated, all amounts discussed herein are denominated in Canadian dollars ($), which is the functional and reporting currency of the Company. Additional information related to the Company is available on request from the Company's head office located at: 1309 – 7th Street SW, Calgary, Alberta, Canada, T2R 1A5.

This MD&A was authorized for issue by the Audit Committee and approved and authorized for issue by the Board of Directors on November 4, 2024.

The financial statements together with the following MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to potential future performance.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute forward-looking statements. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable securities laws, the Company does not intend, and does not assume any obligation, to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements.

NATURE OF BUSINESS AND OVERALL PERFORMANCE

The Company is currently a start-up company searching for business acquisition opportunities. Subsequent to the year ended August 31, 2024, the Company engaged in a transaction to acquire 100% of the issued and outstanding common shares of Redwood AI Inc. ("Redwood") and is focused on developing this business.

Redwood is a Vancouver-based SythesAltzer-as-a-Service ("SaaS") company that integrates artificial intelligence ("AI") with chemistry to accelerate drug synthesis pathways. By leveraging advanced AI technology, Redwood aims to significantly reduce the time and cost associated with drug development, from discovery and preclinical research through to market launch. Redwood is developing a proprietary AI-powered software, SythesAltzer, designed to automate over 95% of manual tasks in drug synthesis, addressing a key bottleneck in pharmaceutical production. SythesAltzer is currently in its pre-alpha stage, offering capabilities to predict and optimize synthesis pathways, which will be further refined with market feedback and testing by small biotech firms. The tool aims to streamline laboratory operations, optimize equipment usage, and reduce chemical costs.

Redwood's business strategy focuses on leveraging proprietary AI models to address the growing need for smarter, faster, and more accurate chemical synthesis processes. Redwood's mission is to apply its AI capabilities to complex chemical research, creating transformative solutions for industries such as pharmaceuticals, biotechnology, and material sciences.

The financial statements have been prepared under a going concern assumption which contemplates the Company will continue in operation and realize its assets and discharge its liabilities in the normal course of operations. Should the going concern assumption not continue to be appropriate, adjustments to carrying values may be required. The Company's ability to meet its obligations and maintain its current operations is contingent upon successful completion of additional financing arrangements and ultimately upon the discovery of proven reserves and generating profitable operations.

Management expects to be successful in arranging sufficient funding to meet operating commitments for the ensuing year. However, the Company's future capital requirements will depend on many factors, including the costs of performing research and development activities, operating costs, the current capital market environment, and global market conditions. The Company had a working capital at August 31, 2024, of $96,830. For significant expenditures and resource property development, the Company will depend almost exclusively on outside capital. Such outside capital will include the issuance of additional equity shares. There can be no assurance that capital will be available, as necessary, to meet the Company's operating commitments and further exploration and development plans. The issuance of additional equity securities by the Company may result in significant dilution to the equity interests of current shareholders. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the future success of the business could be adversely affected.

SUMMARY OF ANNUAL INFORMATION

The table below sets out certain selected financial information regarding the operations of the Company for the period indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

	August 31, 2024 $	**August 31, 2023 $**
Revenue	-	-
Net and comprehensive loss	(107,513)	(8,068)
Total assets	35,017	13,878
Non-current financial liabilities	-	-
Distributions	-	-

The Company has not declared any dividends since its incorporation and does not anticipate paying cash dividends in the foreseeable future on its common shares and intends to retain any future earnings to finance internal growth, acquisitions, and development of its business. Any future determination to pay cash dividends will be at the discretion of the board of directors of the Company and will depend upon the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors of deems relevant.

SELECTED QUARTERLY INFORMATION

Results for the eight most recently completed quarters are summarized below.

For the Quarter Periods Ending	**August 31, 2024 $**	**May 31, 2024 $**	**February 29, 2024 $**	**November 30, 2023 $**
Total revenue	Nil	Nil	Nil	Nil
Loss for the period	(56,573)	(8,133)	(38,997)	(3,810)
Total assets	35,017	37,420	36,220	110,331
Total non-current liabilities	Nil	Nil	Nil	Nil

For the Quarter Periods Ending	**August 31, 2023 $**	**May 31, 2023 $**	**February 28, 2023 $**	**November 30, 2022 $**
Total revenue	Nil	Nil	Nil	Nil
Loss for the period	(7,865)	(128)	(60)	(15)
Total assets	13,878	18,724	18,191	13,861
Total non-current liabilities	Nil	Nil	Nil	Nil

RESULTS OF OPERATIONS

For the year ended August 31, 2024:

During the year ended August 31, 2024, the Company recorded a net loss of $107,513 as compared to a net loss of $8,068 for the comparable period ended.

Total expenses for the year ended amounted to $107,513 as compared to $8,068 for the comparable period ended, an increase of $99,445. The increase in overall expenditures can be attributed to the following:

- Consulting fees have increased to $39,375 from $Nil, which can be attributed to the fees paid to third party consultants for professional and other services that were engaged in the current year.
- Professional fees have increased to $67,550 from $7,631 which can be attributed to the fees paid to third party consultants for professional services, audit fees, and legal fees.

For the three months August 31, 2024:

During the three months ended August 31, 2024, the Company recorded a net loss of $56,573 as compared to a net loss of $7,865 for the comparable three months ended.

Total expenses for the three months ended amounted to $56,573 as compared to $7,865 for the comparable three months ended, an increase of $48,708. The increase in overall expenditures can be attributed to the following:

- Professional fees have increased to $59,623 from $7,556, which can be attributed to the fees paid to third party consultants for professional services, audit fees, and legal fees that were engaged in the current three months.

LIQUIDITY & CAPITAL RESOURCES

As at August 31, 2024, the Company had a working capital deficit of $96,830 and cash of $35,017. The Company will require significant funds from either equity or debt financing for property exploration and to support general administrative expenses.

CAPITAL MANAGEMENT

The Company considers its capital structure to include net residual equity of all assets, less liabilities. The Company's objectives when managing capital are to (i) maintain financial flexibility in order to preserve its ability to meet financial obligations and continue as a going concern; (ii) maintain a capital structure that allows the Company to pursue the development of its research projects; and (iii) optimize the use of its capital to provide an appropriate investment return to its shareholders commensurate with risk.

The Company's financial strategy is formulated and adapted according to market conditions in order to maintain a flexible capital structure that is consistent with its objectives and the risk characteristics of its underlying assets. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash. The Company is not subject to any externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from prior year.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES AND EXECUTIVE COMPENSATION

Key management includes directors (executive and non-executive) and officers of the Company. The amounts due to related parties are for amounts due to directors and officers. The balances are unsecured, non–interest bearing and have no specific terms for repayment.

During the year ended August 31, 2024 the Company incurred professional fees related to accounting and corporate administration of $26,250 (2023 - $Nil) to Amalfi Corporate Services Ltd. (a company controlled by Geoff Balderson, Former CFO of the Company). As at August 31, 2024, there was $26,250 (August 31, 2023 - $Nil) owing to this company.

The related party transactions were recorded at the exchange amount which is considered equivalent to the fair value of the services provided

The Corporation entered into a Corporate and Financial Advisory Agreement with Amalfi Corporate Services Ltd. ("Amalifi") on November 1, 2022 for the provision by Amalfi to the Corporation of certain corporate, accounting and administrative services to the Corporation in accordance with the terms of the Corporate and Financial Advisory Agreement for an initial cash fee in the amount of $25,000, subsequently and starting from September 1, 2024, a monthly cash fee in the amount of $10,000, the issuance of 300,000 Common Shares (the "Amalfi Shares") to Amalfi upon the Corporation being listed on the Exchange, potential Options, RSUs and other equity incentives in accordance with the Corporation's Equity Incentive Plan, and an administrative success fee payable by the Corporation in cash or shares as follows: (i) in the event of an acquisition of an asset or company (in whole or in part), three percent (3%) of the transaction value plus, in respect of that asset or company; (ii) in the event of a divestiture of an asset or company (in whole or in part), two percent (2%) of the transaction value plus, in respect of that asset or company; (iii) in the event of a merger or similar business combination not covered under points (i) or (ii) above, two percent (2%) of the transaction value; and (iv) in the event of an equity or debt financing, two percent (2%) of the gross proceeds of any equity or debt offering completed by the Corporation and/or its subsidiaries or affiliated companies. For the purposes of the Corporate and Financial Advisory Agreement, transaction value is defined as the cash value of any consideration paid (including, without limitation, cash, securities and property), plus the amount of debt assumed (including short term debt, current portions of long-term debt and capital lease obligations). The Corporate and Financial Advisory Agreement is for an initial term of twelve (12) months and shall continue thereafter on a month-to-month basis, subject to termination on thirty (30) days' written notice.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are disclosed in Note 4 of the financial statements.

FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value on a recurring basis are classified in their entirety based on the lowest level of input that is significant to their fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets
Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant Other Observable Inputs
Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability. There are no items in Level 2 of the fair value hierarchy.

Level 3 – Significant Unobservable Inputs
Unobservable (supported by little or no market activity) prices. There are no items in Level 3 of the fair value hierarchy.

The fair value of financial instruments, which include cash, accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

Financial Instrument Risks

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, market risk, liquidity risk and currency risk.

a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit risk the Company is exposed to is 100% of cash. The Company's cash is held at a large Canadian financial institution.

b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The accounts payable and accrued liabilities are typically due in 30 days, which are settled using cash.

At present, the Company's operations do not generate positive cash flow. The Company's primary source of funding has been the issuance of equity securities. Despite previous success in acquiring required financing, there is no guarantee that the Company will continue to be successful in obtaining future financing.

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

PROPOSED TRANSACTIONS

On September 25, 2024 the Company entered a share purchase agreement with Redwood pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Redwood by issuing 12,000,000 common shares to Redwood's shareholders. As part of the share exchange agreement, the Company is to pay finders' fees equal to 5% of the total acquisition price, or 600,000 common shares.

SUBSEQUENT EVENTS

On September 4, 2024, the Company issued 18,000,000 subscription receipts at an issue price of $0.01 per $0.01 Subscription Receipt for aggregate gross proceeds of $180,000. Each $0.01 Subscription Receipt will automatically convert, without any further action or payment of any additional consideration into one-half (1/2) of one Common Share immediately prior to the time of completion of a public listing. If the public listing does not complete by May 26, 2025, or such other date as the Corporation may determine, each $0.01 Subscription Receipt will automatically convert, without further action or payment of any additional consideration into 0.505 of a Common Share.

On September 9, 2024, the Company closed a private placement for 93,750 common shares at a price of $0.20 per share for gross proceeds of $18,750.

On September 9, 2024, the Company completed a share consolidation of its common shares on the basis of 1 new common share for every existing 2 common shares. The share consolidation has been retroactively presented in this MD&A by adjusting all share amounts, including per share amounts.

On September 18, 2024, the Company received proceeds from subscription receipts of $15,000 related to the private placement that closed on August 28, 2024. Refer to Note 6 of the financial statement for the year ended August 31, 2024.

On October 16, 2024, the Company entered into a loan agreement with Redwood for $100,000, which bears interest at the fluctuating prime-lending rate as quoted by Toronto Dominion Bank, secured against the general assets of Redwood, and is due on February 16, 2025.

OUTSTANDING SHARE DATA

The Company had the following securities issued and outstanding:

	August 31, 2024	**November 4, 2024**
Common shares	1	93,750
Fully diluted shares	1	93,750

RISKS

The Company is subject to a number of risks and uncertainties that could significantly affect its financial condition and performance. As the Company grows and enters into new markets, these risks can increase. These risk factors are not a definitive list of all risk factors associated with the Company or in connection with the Company's operations.

The Company has no history of profitable operations and a limited operating history. The Company's present business is at an early stage of development. As such, many risks common to such early-stage enterprises, including cash shortages and limitations with respect to personnel, financial and other resources, and access to capital, exist. Certain risks and assumptions include, among others:

- the Company's limited operating history;
- uncertainty as to the Company's ability to continue as a going concern;
- substantial fluctuation of losses due to numerous external risk factors out of the Company's control that cause the Company to incur significant losses in the future;
- uncertainty as to the Company's ability to raise additional funding to support operations;
- regulatory approval as well as with health and data protection laws and risks;
- compliance with environmental and consumer health and safety laws and regulations;
- uncertainty surrounding the Company's reputation and feasibility of product developments;
- the Company's ability to adequately protect its intellectual property and trade secrets;
- risks related to various tax matters;
- the Company's reliance on the capabilities and experience of the Company's key executives and the resulting loss of any of these individuals;
- liquidity of the Company's securities;
- risks related to additional issuances and dilution of the Company's securities;
- risks related to the Company's capital structure;
- the costs associated with maintain public listings; and
- other factors beyond the Company's control.

There is no assurance that the Company will be successful in executing its business plan and generating a return on shareholders' investments. The likelihood of success must be considered in relation to its early stage of operations and industry. There are a number of risk factors that could cause future results to differ materially from those described herein. Additional risks and uncertainties, including those that the Company does not know about or that it currently deems immaterial, could also adversely affect the Company's business and results of operations.

OUTLOOK

The Company's primary focus for the foreseeable future will be on reviewing its financial position, raising funds to support research and development and operational activities, pursuing pre-clinical and clinical trials for its potential drug candidates, and financing business ventures in the pharmaceutical industry.

ADDITIONAL INFORMATION

Additional information related to the Company will be available for view on SEDAR+ at www.sedarplus.com, or by requesting further information from the Company's head office in Vancouver, BC, Canada.

Marshall Technologies Corp.
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