

Management Discussion & Analysis

Three months ended June 30, 2022

October 20, 2022

Table of Contents

Non-IFRS Measures	3
Forward Looking Statements.....	3
Core Business and Strategy	4
Results of Operations.....	13
Liquidity and Capital Resources.....	20
Related Party Transactions	24
Financial Instruments and Related Risk	25
Risk Factors.....	27
Outstanding Share Data	28

Management Discussion and Analysis (“MD&A”)

The following MD&A is prepared as of October 20, 2022 and is intended to assist the understanding of the results of operations and financial condition of Radiant Technologies Inc. (the “Company” or “Radiant”).

This MD&A should be read in conjunction with Radiant’s interim condensed consolidated financial statements and related notes for the three months ended June 30, 2022 and the MD&A and audited consolidated financial statements and related notes for the year ended March 31, 2022. The statements and additional information about Radiant can be found on SEDAR at www.sedar.com. Such additional information is not incorporated by reference herein, unless otherwise specified, and should not be deemed to be part of this MD&A.

All dollar amounts are expressed in Canadian currency unless otherwise indicated.

Certain information contained herein includes market and industry data that has been obtained from or is based upon estimates derived from third party sources, including industry publications, reports and websites. Third party sources may state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance or guarantee as to the accuracy or completeness of included data. Although the data is believed to be reliable, neither the Company nor its agents have independently verified the accuracy, currency, reliability or completeness of any of the information from third party sources referred to in this MD&A or ascertained from the underlying economic assumptions relied upon by such sources. The Company disclaims any responsibility or liability whatsoever in respect of any third-party sources of market and industry data or information.

Non-IFRS Measures

In this MD&A, certain terms that are not specifically defined in International Financial Reporting Standards (“IFRS”) are used to analyze Radiant’s operations. In addition to the primary measures of net (loss) income and net (loss) income per share in accordance with IFRS, Radiant believes that certain measures not recognized under IFRS assist both Radiant and the reader in assessing performance and understanding the Company’s results. As a result, the method of calculation may not be comparable with other companies. These measures should not be considered alternatives to net (loss) income and net (loss) income per share as calculated in accordance with IFRS.

Working capital – working capital is calculated as current assets less current liabilities.

Forward-Looking Statements

This MD&A offers our assessment of Radiant’s future plans and operations as of June 30, 2022 and contains “forward-looking statements” and “forward-looking information” within the meaning of applicable securities law (collectively referred to in this MD&A as “forward looking statements”). All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that Radiant anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking statements.

In some cases, forward-looking statements can be identified by the use of the words “will”, “can”, “possible”, “may”, “believe”, “expect”, “anticipate”, “future”, “typical”, “opportunity”, “continue”, “should”, “intend”, “budget”, “plan”, “potential” and similar expressions. In particular, but without limiting the

foregoing, this MD&A contains forward-looking statements pertaining to the following: Radient's corporate structure; the Company's extraction methods; technology and intellectual property; Radient's corporate focus; business model and strategy; the Company's competitive position; predictions regarding competitor extraction technologies; the price of cannabinoids; the demand for cannabis based products; Radient's clients and their product offerings; Radient's partnerships and joint ventures; the Company's regulatory compliance procedures; Radient's research initiatives; the Company's intellectual property strategy; the Company's product offerings and the demand for same; market opportunities; the impact of COVID-19 on the Company's operations; the construction of additional infrastructure and facilities in Edmonton and internationally; the Company's ATM Program; Radient's production capacity and capability; the Company's expansion projects, including the specifications, timing and cost thereof; recurrence of certain expenditures; costs of production for industrial scale volumes; and liquidity and capital resources, including the Company's ability to generate sufficient amounts of cash through operations and financing activities.

This MD&A should be read in conjunction with the risk factors described in the "Risk Factor" section of Radient's Annual MD&A and the "Risk Factors" and "Introductory Notes – Cautionary Note Regarding Forward-Looking Information" sections of Radient's AIF.

By their nature, forward-looking statements are subject to numerous risks and uncertainties, including those discussed below. You are cautioned that the assumptions used in the preparation of forward-looking statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. No assurance can be given that any of the events anticipated will transpire or occur, or if any of them do so, what benefits Radient will derive from them. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise unless required by law.

Core Business and Strategy

Overview

The Company presents its results on a going concern basis, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of operations as they become due. The Company's ability to generate sufficient cash flows to maintain normal operations, if unsuccessful, will result in it not being able to continue as a going concern.

The Company has incurred significant losses to date. The net loss for the three months ended June 30, 2022, totalled \$1,512,708 (three months ended June 30, 2021 - \$1,993,996) and as at June 30, 2022, the Company had a deficit of \$153,690,297 (March 31, 2022 - \$154,099,990). These balances indicate there is material uncertainty about the Company's ability to continue as a going concern.

At June 30, 2022, the Company had a working capital deficiency of \$36,165,436 (March 31, 2022 - \$35,100,888). The deficit balance indicates that there is material uncertainty about the Company's ability to continue as a going concern.

At June 30, 2022, the Company was in arrears with certain trade creditors, rent, severance, excise and commodity taxes payable, long-term debt, and lease liabilities. Subsequent to June 30, 2022, the Company has continued to work on increasing revenues through product sales, potential financings, notably through issuance of equity, to address its working capital deficiency. In addition, through a series of commercial transactions related to the recreational cannabis market in Canada, the Company has been actively growing

its sales volumes since September 2020. These initiatives, coupled with reducing costs, are a part of the core strategy of the Company to reverse its working capital deficiency in fiscal 2023.

Management will continue, as appropriate, to seek financing from these and other sources; however, there are no assurances that any such financings can be obtained on favourable terms, if at all. In view of these conditions, the ability of the Company to continue as a going concern is dependent upon its continued ability to obtain financing, generate sufficient cash flows through its revenue growth and, ultimately, achieve profitable operations. The consolidated financial statements for the periods presented do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business as a going concern and that such adjustments could be material.

During the 2022 and 2023 calendar years, there continued to be a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic resulted in a closure of the Company's facility for a period of time during the year and temporary and permanent layoffs of employees. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company's operations. Management has given consideration to the impact of COVID-19 on the Company and has concluded that the consolidated financial statements appropriately reflect and disclose management's best estimate and uncertainty regarding the impact of COVID-19 on the Company's future operations and financial results. The Company has recorded wage subsidies and rent subsidies from the Canadian and Germany governments COVID-19 programs. The rent subsidies were recorded in the general and administrative expense on the consolidated statement of operations and the wage subsidies were recorded proportionately to the salary expenses allocated to each of the cost of sales, general and administrative, production plant, research and process development, engineering, quality control and assurance, and business and corporate development on the consolidated statement of operations.

Radiant was initially incorporated on June 12, 2001, pursuant to the provisions of the *Company Act* (British Columbia), transitioned pursuant to the provisions of the *Business Corporations Act* (British Columbia) on July 7, 2004, and was continued under the *Canada Business Corporations Act* on February 3, 2010. On May 22, 2014, pursuant to a plan of arrangement, Radiant amalgamated with Madison Capital Corporation ("Madison"), a Capital Pool Company as defined in TSX Venture Exchange ("TSXV") Policy 2.4 – *Capital Pool Companies* ("Policy 2.4"), incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) on June 13, 2011 and continued under the *Canada Business Corporations Act* on May 14, 2014, forming a new entity called "Radiant Technologies Inc." This transaction constituted the qualifying transaction of Madison in accordance with the requirements of Policy 2.4. Radiant trades on the TSXV under the symbol "RTI" and on the OTCQX®Best Market ("OTC"), operated by OTC Markets Group under the ticker symbol "RDDTF".

In September 2021, the Company consolidated its locations for its head office, research and development lab, and its production facility and as of June 30, 2022, are located at 4035 – 101 St NW, Edmonton, Alberta, T6E 0A4 (the "Edmonton I /II Facility") and the registered and records office is located at 2900 – 550 Burrard Street, Vancouver, British Columbia, V6C 0A3. The Company has re-organized the location of its offices to reduce the overheads related to the research and development lab as a part of its cost reduction initiatives.

The subsidiaries of the Company as at June 30, 2022, are as follows:

Name of entity	Ownership
Radiant Technologies (Cannabis) Inc. ("RTC")	100%
Radiant Technologies Innovations Inc. ("RII")	100%
1631807 Alberta Ltd. ("163 Alberta")	100%
Tunaaaaaroom Extracts Inc. ("Tunaaaa")	100%

RTC, which operates the Company's Canadian cannabis business, was incorporated on February 20, 2018, and holds certain of the Company's Canadian cannabis-related licences. Radiant owns 100% of 163 Alberta, which is the owner and landlord of various properties, including Radiant's Edmonton production facility. Prior to May 3, 2018, Radiant owned a 50% interest in 163 Alberta. RII was incorporated on October 12, 2018 and is intended to hold the Company's Canadian generated intellectual property. RTS was incorporated on January 29, 2019 and holds the Company's European investments (including MAG which was incorporated on February 21, 2019).

In July 2021, the Company announced that it was winding up its German operations at MAG. As a wholly owned subsidiary of RTS, MAG was fully consolidated at March 31, 2021. The Company deconsolidated MAG once the insolvency process had concluded and the entity was deconsolidated during the year ended March 31, 2022.

In October 2021, RTS filed for insolvency in Switzerland. The Company deconsolidated RTS once the insolvency process was closed and the entity was deconsolidated during the year ended March 31, 2022.

Radiant has historically manufactured high-value natural ingredients for global customers in the food and beverage, nutraceuticals, pharmaceuticals and cosmetics and personal care industries. In the year ended March 31, 2017, the Company expanded its offerings to the fast-growing cannabinoids market utilizing its extraction platform to process and extract cannabinoids, including cannabidiol ("CBD") and tetrahydrocannabinol ("THC"), from cannabis biomass. The Company's core focus is on processing and manufacturing efforts in the cannabis industry for the near and mid-term. During the previous year the Company made the strategic decision to move away from the extraction as a service business model and focus exclusively on bulk extractions of scale with white label manufacturing and manufacturing and launching of finished branded retail products.

Background

Radiant was founded in 2001 by Dr. Steven Splinter, its current Chief Technology Officer, and Vizon SciTec Inc., formerly BC Research Inc., to pursue commercial opportunities related to the patented platform natural product extraction technology, MAP™ or "Microwaved Assisted Process, for applications in the pharmaceutical, nutraceutical, food and cosmetic industries.

In the year ended March 31, 2018, the Company explored opportunities with Aurora Cannabis Inc. ("Aurora") which culminated in a Master Services Agreement ("MSA") finalized on November 6, 2017, pursuant to which the Company agreed to perform certain services for Aurora using its proprietary extraction technology, in relation to supply of standardized cannabis extracts. The MSA has an initial term of five years, with an option for Aurora to renew the agreement for an additional five years. As a part of the partnership, Aurora has invested approximately \$14.0 million in the Company through a combination of convertible debentures (that converted into equity in fiscal 2018), private placements and warrant exercises. In connection with the MSA, Radiant and Aurora entered into an Investor Rights Agreement that provides Aurora with certain rights to participate in future offerings, providing Aurora with the option to expand its

ownership in the Company up to 19.99%. As of June 30, 2022, Aurora held 37,643,431 common shares of Radiant representing approximately 7.1% of the issued and outstanding common shares and 6.1% of the issued and outstanding common shares on a fully diluted basis. During the quarter ended December 31, 2020, Aurora ceased to have significant influence over the Company, as a result of no longer having a director on the Company board and their ownership dropping below 10% of the Company and therefore were no longer considered a related party to the Company. As of June 30, 2022, Aurora was not a related party to the Company.

The Aurora MSA was the precursor of the Company's entry into the cannabis space and its focus on establishing appropriate production facilities, required licences and human capital to deliver on the MSA.

Business Model

Until fiscal 2020, Radiant's core revenue generation activities related to cannabis activities were primarily focused on two areas 1) extraction services for the extraction of cannabinoids for third parties, and 2) manufacturing of cannabis extracts, concentrates and oils for sale to Licensed Producers. In the previous year, the Company began to transition its focus to the formulation, manufacturing and launching of unique value-added cannabis product SKUs into the cannabis 2.0 market. Understanding that the bulk extraction market was becoming increasingly competitive, and with regulations changing to allow for a greater variety of products, Radiant applied for an amendment to its license to allow for the sale of cannabis extracts, edibles and topicals. The amendment was granted on June 26, 2020. The Company therefore began to transition its focus to commercializing formulations and white label manufacturing. Combining technological precision with decades of botanical extraction and science-backed product development experience, resulted in Radiant having an internally developed library of unique products and formulations. During fiscal 2021, Radiant continued this transition, utilizing space in Edmonton II for product manufacturing, as well as repurposing space in its Edmonton I facility to install filling and packaging capacity for new product offerings.

During the current year, the Canadian cannabis market continued to experience increasing pricing pressure on the sale of bulk cannabis extracts and distillates and an increasing market supply of cannabis resulting in a continued decline in dried cannabis pricing. These latter conditions in particular served to weaken some of the structural advantages of the Company's proprietary continuous-flow extraction technology, namely the ability to deliver very high efficiency extraction of expensive cannabis biomass at large scale throughput capacities. The Company therefore made the strategic decision to move away from the extraction as a service business model and focus exclusively on white label manufacturing and manufacturing and launching of finished branded retail products along with bulk extractions based on economic value creation with high value premium extracts using hydrocarbons.

Corporate Focus

Since its inception in 2001, Radiant has proven the effectiveness of its MAP extraction platform for a broad range of biomass inputs using varying solvent systems and for all commercially relevant classes of natural products. As Canada moved to legalize both medical and adult-use cannabis, Radiant foresaw a need for companies with the technical and scientific expertise to perform high quality extraction of cannabinoids. The Company therefore shifted its focus and resources into developing large scale extraction for cannabis and hemp and received its Standard Processing License from Health Canada in early 2019. Building on its proprietary extraction technology and extensive research and development capabilities, Radiant also focused on turning its cannabis extracts into finished consumer products for both the medical and recreational markets and expanded its presence through a series of partnerships to launch brands and formulations by registering its products and brands in provinces across Canada.

Cannabis Activities

After receiving its Standard Processing Licence from Health Canada in February 2019 and completing its first commercial run in May 2019, Radiant validated its technology at scale, processing thousands of kilograms of cannabis biomass for clients, achieving extraction efficiencies consistently in excess of 90% and as high as 99%. The Company initially concentrated much of its efforts on exploiting its structural advantages in terms of high-capacity, high efficiency extraction to meet anticipated growing demand for cannabis and hemp extraction services. With the technology validated at scale, Radiant began expansion of its operations in Edmonton, including addition of capacity to increase extract purity through distillation, in order to meet anticipated growing demand for both extraction services and manufactured cannabis products. As the business has evolved and demand for retail cannabis products has grown, the Company has also made a strategic shift from bulk extractions to a manufacturing model with its branded products and formulations.

Nicotine Reduction Activities

Radiant continues to hold intellectual property relating to nicotine reduction and the Company is continuing to explore partnerships that would allow for further development and to monetize the research and development work that has been completed. Work done to date demonstrates the ability to significantly reduce nicotine in tobacco while retaining its appearance and organoleptic properties. Further research and development will be determined by the extent of any future partnership.

Canadian Requirements pursuant to the Cannabis Act and Cannabis Regulations (SOR/2018-144)

Standard Processing Licence

Radiant was issued a Standard Processing Licence on February 1, 2019, by the Security Division of the Cannabis Legalization and Regulation Branch of Health Canada. This licence along with the amendments outlined below allow the Edmonton I and II facilities to:

- possess cannabis;
- produce cannabis, other than to obtain cannabis by cultivating propagation or harvesting it; and
- sell cannabis, in accordance with subsection 17(5) of the Cannabis Regulations.

Subsection 17(5) of the Cannabis Regulations allows for a standard processor to sell and distribute cannabis to a holder of the licence for processing, analytical testing, research or cannabis drug licence. The licence also allows for conducting research at the Edmonton I and II manufacturing facility so long as this research is within the scope of the current activities being conducted at Edmonton I and II.

With receipt of this licence, commercial processing of cannabis biomass to extract cannabinoids including CBD and THC began in March 2019 at Radiant's Edmonton I manufacturing facility.

On July 14, 2019, Radiant submitted an amendment to Health Canada for the addition of a new secure storage area within the existing building perimeter. This amendment was granted on October 15, 2019.

On November 13, 2019, Radiant submitted an amendment to Health Canada for the addition of Edmonton II as a cannabis processing site within the existing building perimeter. This amendment was granted on February 1, 2020.

On December 23, 2019, Radiant submitted an amendment to Health Canada for the addition of sales to its Standard Processors Licence. This amendment was granted on June 26, 2020. Subsection 17(5) of the Cannabis Regulations allows for the holder of a Standard Processing licence whose licence authorizes the sale of cannabis to conduct the following activities:

- sell and distribute cannabis products to a holder of a licence for sale, or a person that is authorized under a provincial Act, to sell cannabis; and
- send and deliver cannabis products to the purchaser of the products at the request of a person that is authorized under a provincial Act, to sell cannabis or a holder of a licence for sale.

On October 28, 2021, Radiant received a Sale for Medical Purposes License from Health Canada, allowing the Company to supply and sell cannabis products to patients who hold prescriptions from authorized healthcare providers. On November 26, 2021, Radiant received an amendment to its Standard Processing License for the sale of dried and fresh cannabis products to provincially and territorially authorized retailers and holders of a licence for sale for medical purposes.

Research and Analytical Licences

The Company's Roper Road Facility held both Research and Analytical Testing Licences. During the year, The Company reorganized its office locations to 4035 – 101 St NW, Edmonton, Alberta, T6E 0A4 (the "Edmonton I / II Facility") and so ceased activities related to the Roper Road Research and Analytical Licences. The Edmonton I / II manufacturing facility continues to hold an Analytical Testing Licence. The Analytical Testing Licence under the Cannabis Act authorizes the holder to possess cannabis and alter the chemical or physical properties of cannabis for the purposes of testing.

Canadian Securities Regulation Regarding U.S. Cannabis Activities

Currently, certain U.S. states permit the use and sale of cannabis (sometimes referred to as marijuana) within state-specific regulatory frameworks notwithstanding that marijuana continues to be listed as a controlled substance under U.S. federal law. This creates a conflict between state and federal law. The U.S. Department of Justice has communicated that it will generally not enforce federal prohibitions on U.S. states that have authorized this conduct if such state has implemented a strong and effective regulatory program. As this federal guidance is subject to change or rescission risk and uncertainty exists for any issuer undertaking U.S. marijuana-related activities with consequences being potentially material and pervasive.

On October 16, 2017, the Canadian Securities Administrators, through Staff Notice 51-352 *Issuers with U.S. Marijuana-Related Activities* announced specific disclosure expectations of issuers that currently have, or are in the process of developing, marijuana-related activities in the U.S. states where such activity has been authorized by such state's regulatory framework.

Further, the Toronto Stock Exchange ("TSX") published Staff Notice 2017-0009 with respect to sections 306 and 325, *Minimum Listing Requirements and Management* and Part VII, *Halting of Trading, Suspension and Delisting of Securities* (collectively, the "Requirements") to provide clarity regarding the application of the Requirements to applicants and listed issuers in the marijuana sector. Although the TSX acknowledges the current state/federal circumstances and the guidance concerning enforcement of the provisions, it concludes that the guidance does not have force of law and can be revoked or amended at any time. As a result, the TSX has stated that issuers with ongoing marijuana-related business activities in the U.S. are not complying with the Requirements of the TSX Company Manual.

At present, Radiant is not conducting any U.S. marijuana-related activities and the Company is in full compliance with Canadian securities regulatory requirements.

Outlook and Developments

In the three months ended June 30, 2022, Radiant recorded \$569,414 (three months ended June 30, 2021 - \$732,400) of revenue from its manufactured products. Sales volumes in the year were driven by the successful launch of a range of Cannabis 2.0 products in Canada utilizing the Company's Sales Licenses

in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, and Nova Scotia, and the territories of Nunavut and the Northwest Territories. This is a part of a broad strategy to introduce Branded retail products in the growing recreational market for Cannabis 2.0 products in Canada. For the three months ended June 30, 2022, the sales volumes were driven by the Company's products in the concentrate and vapes categories. The market for premium concentrates is showing signs of adoption and growth and Radiant is well positioned to continue to create a market presence and licensing establish brands. During the period, Radiant also continued to restructure its operations through a combination of wide scale cost reductions and the halting of expansion initiatives.

The Company anticipates maximizing the revenue potential of its product pipeline through distribution and sales partnerships with licensed producers and brand owners. As part of its strategic re-focus, Radiant has begun to in-license a portfolio of nationally recognized brands of premium cannabis extracts targeting adult-use recreational and medical cannabis consumers in Canada. Radiant will focus on manufacturing and distributing these premium cannabis extract and concentrate product offerings, marketed under brands that Canadian cannabis consumers know and trust and that have loyal online and retail followings nationally.

Radiant has announced several collaborations and strategic license agreements with legacy brands including Tunaaaaroom, Atomic EH, and HighGrade Supply to target the launch of various adult-use recreational and medicinal cannabis concentrate products including distillate dabs, vapes, BHO extracts, live resin, live resin, THC a diamonds, shatter, caviar, and terp sauce, as well as minor cannabinoid isolates. The Company expects to add additional licensing agreements in the coming quarters. To date the Company's registrations have been approved in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Nunavut and the Northwest Territories. Future products which the Company expects to have in production include dissolvable powders, including flavored drink juice crystals, hot chocolate and edibles.

During the year ended March 31, 2022, Radiant entered into an agreement with All Good Collective Corp. ("All Good") to design and supply a modular-designed assembly and packaging facility to produce cannabis pre-roll products. The pre-roll design parameters include a cigarette-style cylinder format and craft grown, terpene rich, high THC, non-irradiated cannabis. The Company commenced production and sale of these products to licenced retailers in Canada during the three months ended June 30, 2022.

During the year ended March 31, 2022, Radiant also completed the installation of a custom hydrocarbon system designed for high throughput and purity as a part of an exclusive licensing and extraction agreement with HighGrade Supply ("HighGrade"). The HighGrade platform can process up to 1,100 kgs of biomass daily between hydrocarbons and other solvents, with the potential for growth expansion. In June 2022, Radiant announced commercial production and sales of Cannabis 2.0 products from this system that includes distillates and isolates of products including THCa, Crystalline, Delta 8THC, CBG, CBN and hydrocarbon products such as High Cannabinoid Full Spectrum Extracts (HCFSE), High Terpene Full Spectrum Extracts (HTFSE), Crumble, Shatter, Live Resin, Budder, and Terp Diamonds.

Commercial sales for both these product categories only commenced in June 2022 due to operating bottlenecks and working capital challenges in calendar Q1 2023. These factors caused delays in launching these products to provinces, with commercial sales commencing only in July 2022, approximately three quarters behind schedule. Radiant expects a ramp-up in sales in calendar Q3 2023 heading into Q4 2023 and onwards.

The Company is also exploring white label opportunities for the export of medical cannabis products to authorized jurisdictions.

Management changes

On September 1, 2022, the Company announced Francesco Ferlaino had resigned as Chair of the Board and was replaced by Jocelyne Lafrenière. The Company also announced the appointment of Danesh Varma to the Board of Directors on September 1, 2022.

Licensing Agreement with Tunaaaaroom

On January 29, 2022, the Company announced that it had successfully completed its acquisition of 100% of the common shares of Tunaaaaroom Xtracts Inc. In consideration for the acquisition, the Company issued 70,000,000 common shares at a deemed price of \$0.12 per share, along with 15,000,000 common share purchase warrants. Each warrant is exercisable at a price of \$0.15 for a period of two years following the acquisition. The common shares are subject to a four month and one day hold period expiring May 29, 2022. As additional consideration, the Company has agreed to issue up to an additional 25,000,000 common shares at a deemed price of \$0.12 per common share upon the satisfaction of certain performance targets. The Company will also pay royalties of 1% of all revenue generated by the Company from sales of certain products subject to certain conditions and limitations.

Tunaaaa has developed the genetics for over 1000 high-quality cannabis strains containing proprietary terpene profiles. Through this licensing deal, Radiant gained access to Tunaaaa's specific genetics and has engaged Tunaaaa to help drive product development. To date, Radiant has successfully launched several TRX-branded distillate dabs and vape extract products with unique terpene profiles into the Canadian marketplace and plans additional launch of retail brands in various product categories, including resin, THCa diamonds, shatter, caviars, live rosin and terp sauce.

Commercialization of New Cannabinoid Ingredients and Formulations

Leveraging its strong natural health product formulation expertise, Radiant's product development team has developed a broad range of proprietary cannabinoid-based product formulations for both medical and consumer markets. Attention has been given to the development of formulations that demonstrate evidence-backed physico-chemical stability, ensuring the highest quality and dosing consistency of final forms that will fully meet the industry's current strict regulatory framework. Examples include cannabis tinctures; water-soluble and water-dispersible formulations for beverage applications; solid and liquid forms suitable for a wide range of cannabis edible products; standardized powders for tablets, capsules, sachets and lozenges; formulated liquids for vaporizing devices; and various topical formulations including creams, ointments, lotions and gels.

Financing Initiatives

On December 31, 2021, Radiant closed a non-brokered private placement of 20,880,714 common shares at a price of \$0.06 per share for gross proceeds of \$1,252,843. Each unit consists of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to purchase one common share of the Company at \$0.10 per share at any time prior to June 30, 2023. Certain officers and directors of the Company purchased 12,014,988 units as part of this private placement for gross proceeds of \$720,899. All securities issued in connection with the private placement are subject to a statutory hold period expiring on May 1, 2022.

On July 6, 2022, the Company closed its first tranche of a private placement. Under the first tranche, the Company issued 9 units at a price of \$40,000 per unit for gross proceeds of \$360,000. Each unit consists of 1,000,000 common shares of the Company and 500,000 common share purchase warrants, with each warrant entitling the holder to purchase one common share of the Company at \$0.07 per share for 36 months after closing. The Company paid finder's fees of \$28,800 in cash and issued 0.72 units in relation to the private placement.

Efforts are underway by the Company to look at a range of options including additional equity issuances and restructuring of its liabilities to provide liquidity to bridge the negative working capital position at June 30, 2022. As of the date of this MD&A, \$14.7 million of liabilities with trade creditors are overdue by 120 days or greater. Radiant is actively working with its creditors to offset this situation and recognizes the associated liquidity risk to the Company if the financing initiatives do not materialize.

Expansion Projects

The Company has halted work on expansion projects in the near term to focus on building cash positive results from current operating activities. In light of the challenges facing the Canadian cannabis market, Radiant is taking a prudent approach to slow capital spending on expansion and focus on white label manufacturing and commercializing its significant formulation library. Radiant has put construction on hold in Edmonton and is reviewing the options to restart construction pursuant to the requirement for additional capital. The completion of the Edmonton III plant will be deferred until at least calendar 2022, with the Company able to service its current extraction needs and manufacturing from Edmonton I and II. Edmonton III is expected to serve future growth and any further spending will be directed to increasing product manufacturing capabilities. In July 2021, the Company announced that it was winding down operations in MAG and filing for insolvency for the MAG entity. The MAG entity was deconsolidated from the consolidated financial statements during the year ended March 31, 2022.

Licensed space in Edmonton II is now being utilized for manufacturing and packaging activities, both critical to the Company's white label and branded retail product offerings. Manufacturing space is being designed for flexibility that will allow for multi-use rooms and higher utilization rates. Additional equipment has been installed into the plant for the production of proprietary powder and liquid-based formulations, which will allow the Company to offer various types of powder and liquid edible products, including formulations that incorporate nano emulsification and water compatibility. These proprietary formulations have been developed and tested internally. Strategically adding unique product offerings will position the Company for higher margin work and leverage our years of research and development experience. In addition, Radiant is now re-tooling its extraction capabilities to add alternative extraction methods, including a customized hydrocarbon extraction platform, to complement its existing proprietary extraction technology as a part of the launch of HighGrade products for premium and high concentrate cannabis extracts. The Company believes that this will provide production flexibility in a highly competitive market and allow it to significantly add sales and diversify its customer base.

Licensing Agreement with Atomic Eh

On May 3rd, 2021, Radiant signed a definitive licensing agreement with Atomic Eh to launch its first Indigenous cannabis brand and a dedicated product line targeting under-served indigenous communities in the cannabis industry. Radiant is working exclusively with Atomic Eh to roll out cannabis 2.0 products, including BHO extracts, vape cartridges, dry flower, edibles, and solventless extracts using Radiant's distribution channels. According to the agreement, Radiant will manufacture between 25,000 and 50,000 units of product per month, to be sold under the Atomic Eh brand, providing Radiant with additional product offerings on retail shelf space. This agreement will result in the distribution of Indigenous brands nationwide and provide access to high quality cannabis remedies for several Indigenous communities. Furthermore, this agreement will give Indigenous communities a platform to share their cannabis remedies nationally, forging a symbiotic relationship between the two companies.

Licensing Agreement with HighGrade Concentrates

On May 5, 2021, Radiant announced an exclusive licensing and extraction agreement with HighGrade Concentrates ("HighGrade") to manufacture a wide range of premium concentrates for sale into both the medicinal and rapidly growing recreational cannabis markets in Canada. The agreement grants Radiant

the exclusive rights to the HighGrade technology, HighGrade IP, and an established cannabis culture legacy brand.

Under the terms of the agreement, HighGrade will provide expertise, technical guidance, consultation, labour and knowledge for Radiant to produce an array of high-quality cannabis 2.0 products. Radiant will in turn make use of its Standard Processing and Sales Licenses with its Quality Systems to rapidly launch products while meeting all of Health Canada's requirements under the Cannabis Act and Cannabis Regulations. The focus will be for Radiant to provide a wide range of affordable but top-quality cannabis products to the recreational, medicinal, and wholesale B2B markets.

Results of Operations

Summary of Results by Quarter

Quarter ended	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Revenues	\$569,414	\$198,796	\$1,576,616	\$1,097,147
Loss before other income and expenses	(1,730,111)	(3,048,540)	(2,317,506)	(1,492,419)
Loss per share, before other income and expenses (basic and diluted)	(0.00)	(0.01)	(0.01)	0.00
Net loss	(1,512,708)	(6,044,174)	(3,196,925)	(1,638,218)
Net loss per share (basic and diluted)	(\$0.00)	(\$0.01)	(\$0.01)	\$0.00
Weighted average number of common shares outstanding	432,637,825	432,637,825	432,637,825	432,637,825
Total assets	\$28,035,817	\$27,734,541	\$28,860,867	\$28,626,728
Long term liabilities	87,543	160,817	-	330,080

Quarter ended	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020
Revenues	\$749,222	\$532,770	\$1,811,476	\$102,702
Loss before other income and expenses	(2,004,027)	(3,864,680)	(3,467,354)	(3,458,265)
Loss per share, before other income and expenses (basic and diluted)	(0.01)	(0.01)	(0.01)	(0.01)
Net loss	(1,993,996)	(22,170,866)	(11,205,613)	(3,458,265)
Net loss per share (basic and diluted)	(\$0.01)	(\$0.07)	(\$0.03)	(\$0.01)
Weighted average number of common shares outstanding	432,546,200	358,758,721	328,083,242	321,442,199
Total assets	\$28,006,086	\$29,294,671	\$50,703,827	\$57,397,852
Long term liabilities	342,926	369,355	1,139,809	10,737,761

The Company ceased plant operations effective March 18, 2020, in response to COVID-19, laying off non-essential staff in order to preserve liquidity and re-opened September 2020.

The global pandemic affected revenue through throughout the periods presented.

Consolidated Statements of Operations and Comprehensive Loss

	Three months ended June 30,	
	2022	2021
Revenues		
Manufactured products	\$ 569,414	\$ 732,400
Manufacturing services	-	16,822
	569,414	749,222
Cost of sales		
Manufactured products	563,257	683,167
	563,257	683,167
	6,157	66,055
Expenses		
General and administrative	398,201	542,515
Financing fees	552,183	423,501
Depreciation and amortization	453,611	451,774
Production plant	186,613	407,703
Engineering	1,097	13,615
Process development	2,307	62,136
Research and development	33,548	59,779
Quality control and assurance	31,126	50,771
Business development	77,582	52,697
Corporate development	-	5,591
	1,736,268	2,070,082
Loss before other expenses	(1,730,111)	(2,004,027)
Other income (expenses)		
Share-based payments	(4,567)	(1,411)
Gain on modification of long-term debt	248,412	-
Loss on disposal of property and equipment	-	(85,272)
Foreign exchange (loss) gain	(16,560)	105,998
Interest and other income	(9,882)	(9,284)
	217,403	10,031
Net loss and comprehensive loss	\$ (1,512,708)	\$ (1,993,996)

Manufactured products

A further break-down of Radiant's revenues and cost of sales from manufactured products follows:

	Three months ended June 30,	
	2022	2021
Revenues	\$ 569,414	\$ 732,400
Cost of sales		
Inventories	352,916	513,890
Supplies and materials	16,660	29,680
Salaries and benefits	49,012	86,333
Overhead allocations	56,585	22,263
Third party testing	13,096	16,403
Equipment rental	12,000	1,000
Consulting	47,934	2,385
Transportation	15,054	11,213
Total cost of sales	\$ 563,257	\$ 683,167
	\$ 6,157	\$ 49,233

Revenue for the three months ended June 30, 2022, was \$569,414, which represents decrease compared to the same period in the prior year of \$162,986. Revenue for the three months ended June 30, 2022, was lower than anticipated primarily due to lack of working capital to purchase raw materials and supplies to execute orders. In addition, the anticipated start-up of the HighGrade custom hydrocarbon system discussed in the Company's May, 2021 New Release was delayed due to capital constraints and operating bottlenecks. Manufacturing and sales offtake of these premium concentrates based on hydrocarbon extracts was delayed by approximately three quarters. Due to working capital constraints, the Company was forced to purchase bulk ingredients from other Licensed Producers to fill orders as opposed to manufacturing internally, resulting in high costs of sales. As of the date of this MD&A, the HighGrade custom hydrocarbon system is fully operational. The Company is continuing to work to increase sales of its products and to reduce cost of goods sold.

General and Administrative

A further break-down of Radiant's general and administrative expenses are as follows:

	Three months ended June 30,	
	2022	2021
Consulting fees	\$ 101,625	\$ 196,119
Salaries and benefits	83,020	89,601
Professional fees	94,392	57,638
Insurance	66,786	62,457
Public company compliance	7,237	7,270
Rent and utilities	12,226	86,966
Computer software	4,333	6,013
Travel	118	1,406
Office	12,254	28,460
Directors' fees	10,644	-
Maintenance	120	6,585
Promotion	3,520	-
Supplies	1,926	-
Total general and administrative	\$ 398,201	\$ 542,515

General and administrative expenses decreased by \$144,314 for the three months ended June 30, 2022, compared to the same period in the prior year.

The Company implemented significant cost cutting and control measures during the three months ended June 30, 2022, as well as temporary lay-offs company wide due to COVID-19, resulting in reductions. The Company expects the cost reductions to remain consistent and will notice the benefits in future periods.

Financing Fees

A further break-down of Radiant's financing fees are as follows:

	Three months ended June 30,	
	2023	2022
Amortization of financing costs on long-term debt	\$ -	\$ 51,859
Interest on long-term debt	281,817	331,851
Interest on lease liabilities	6,886	-
Interest on short-term borrowings	108,480	120,000
Accretion of interest	-	(81,759)
Other	155,000	1,550
	\$ 552,183	\$ 423,501

Financing fees increased by \$128,682 for the three months ended June 30, 2022, compared to the same period in the prior year. This increase is mainly due to the accretion of interest in the prior period combined with interest on trade payables in the current year, partially offset by reduction in interest on short-term borrowings and long-term debt.

The Company has loans with various lenders; a mortgage with the Bank of Nova Scotia bearing interest at the greater of 9.99% or prime rate plus 7.54% per annum with monthly interest only payments and principal maturing November 1, 2022; a loan bearing interest at the Bank of Canada policy interest rate plus 3% with variable payments maturing June 1, 2025; a loan bearing interest at 5.80% with monthly payments of \$9,327 maturing October 1, 2021; and a loan payable bearing interest at 4.55% with monthly payments of \$2,586 maturing March 1, 2023.

Engineering

A further break-down of Radiant's engineering expenses are as follows:

	Three months ended June 30,	
	2022	2021
Salaries and benefits	\$ 1,097	\$ 12,838
Rent and utilities	-	(150)
Computer software	-	927
Total Engineering	\$ 1,097	\$ 13,615

Engineering expenses decreased by \$12,518 for the three months ended June 30, 2022, compared to the same period in the prior year. The decrease is due to the lay offs of all non-essential staff as well as cessation of extraction operations in the prior year.

Research and Development

A further break-down of Radiant's research and development expenses are as follows:

	Three months ended June 30,	
	2022	2021
Salaries and benefits	\$ 33,548	\$ 53,767
Consulting fees	-	4,842
Travel	-	1,170
Total research and development	\$ 33,548	\$ 59,779

Total research and development expenses decreased by \$26,231 for the three months ended June 30, 2022, compared to the same period in the prior year. These decreases were due to reduced reliance on consultants, staff reductions, as well as reduced travel due to the Covid-19 pandemic.

Process Development

A further break-down of Radiant's process development expenses are as follows:

	Three months ended June 30,	
	2022	2021
Salaries and benefits	\$ 2,307	\$ 36,710
Rent and utilities	-	(3,053)
Maintenance	-	3,479
Depreciation and amortization	-	23,584
Supplies and safety	-	1,416
Total process development	\$ 2,307	\$ 62,136

Total process development expenses decreased by \$59,829 for the three months ended June 30, 2022 compared to the same period in the prior year. The year-to-date decrease was due to staff reductions, reduced reliance on consultants and lower maintenance costs in the year.

Production Plant

A further break-down of Radiant's production plant expenses are as follows:

	Three months ended June 30,	
	2022	2021
Salaries and benefits	\$ 36,398	\$ 8,230
Computer software	-	4,380
Rent and utilities	74,053	146,078
Maintenance	216	-
Office	1,454	54,259
Production materials	-	1,044
Supplies	50,549	6,130
Security	-	84
Marketing and sales	-	162,172
Insurance	19,512	-
Professional fees	-	8,000
Promotion	2,135	-
Travel	2,296	1,331
Depreciation and amortization	-	15,995
Total production plant	\$ 186,613	\$ 407,703

Production plant expenses decreased by \$221,090 for the three months ended June 30, 2022 compared to the same period in the prior year, with variances in several cost categories. Salaries and consulting services increased during the period due to the addition of new staff and consultants while new product lines came online during the period.

Quality Control and Assurance

A further break-down of Radiant's quality control and assurance expenses are as follows:

	Three months ended June 30,	
	2022	2021
Salaries and benefits	\$ 26,047	\$ 4,593
Supplies	-	1,189
Rent and utilities	5,079	5,398
Maintenance	-	865
Office	-	1,725
Consulting fees	-	30,000
Other	-	7,001
Total quality control and assurance	\$ 31,126	\$ 50,771

Quality control and assurance expenses decreased by \$19,645 for the three months ended June 30, 2022, compared to the same period in the prior year. The year-to-date decrease was primarily driven by staff reductions resulted in lower salary and benefit costs partially offset by increased reliance on consultants. The company continues to monitor costs in these areas.

Business Development

A further break-down of Radiant's business development expenses are as follows:

	Three months ended June 30,	
	2022	2021
Salaries and benefits	\$ 75,304	\$ 42,873
Promotion	-	990
Travel	2,278	3,705
Other	-	5,129
Total business development	\$ 77,582	\$ 52,697

Business development expenses increased by \$24,885 for the three months ended June 30, 2022, compared to the same period in the prior year. These increases were due to the Company's efforts to expand its sales to new areas and grow its revenues.

Corporate Development

A further break-down of Radiant's corporate development expenses are as follows:

	Three months ended June 30,	
	2022	2021
Promotion	\$ -	\$ 4,419
Travel	-	1,172
Total corporate development	\$ -	\$ 5,591

Total development expenses decreased by \$5,591 for the three months ended June 30, 2022, compared to the same period in the prior year, mainly due to a reduction in spending on corporate development in fiscal year 2023.

Share-Based Payments

Share-based payments include vested amounts which relate to stock option grants previously approved as well as amounts related to new grants approved during the period as those grants begin to vest. The following chart details the expense as it arises from each grant summarized by grant date.

Grant date	Three months ended June 30,	
	2022	2021
Thursday, February 11, 2021	\$ -	\$ 1,411
Friday, October 9, 2020	3,585	-
Thursday, May 28, 2020	982	-
Total share-based payments	\$ 4,567	\$ 1,411

Liquidity and Capital Resources

	30-Jun-22	March 31, 2022
Non-current assets	\$ 24,619,059	\$ 25,135,926
Current assets	3,416,758	2,598,615
Current liabilities	(39,582,194)	(37,699,503)
Total assets less current liabilities	\$ (11,546,377)	\$ (9,964,962)
Non-current liabilities	87,543	160,817
Shareholders' deficiency	(11,633,920)	(10,125,779)
	\$ (11,546,377)	\$ (9,964,962)

For more information on key cash flows related to operations, investing and financing activities during the quarter, refer to the "Cash Flow Highlights" discussion below.

The Company's objective when managing its liquidity and capital resources is to safeguard its ability to continue as a going concern and maintain sufficient liquidity to support financial obligations when they come due while executing operating and strategic plans. The Company manages liquidity risk by monitoring its operating requirements and preparing budgets and cash flow forecasts to identify cash flow needs for general corporate and working capital purposes. Radiant's ability to fund its operating requirements depends on future operating performance and cash flows, which are subject to economic, financial,

competitive, business and regulatory conditions, and other factors, some which are beyond Radiant's control, such as the potential impact of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company's operations. The Company's primary short-term liquidity needs are to fund its net operating losses, capital expenditures to maintain existing facilities, debt repayments, and lease payments. Radiant's medium-term liquidity needs primarily relate to debt repayments and lease payments. The Company's long-term liquidity needs primarily relate to potential strategic plans.

Radiant's business is subject to risks and uncertainties that could significantly impair Radiant's ability to raise funds or to generate profits sufficient to meet future obligations, operational, or development needs. See "Risk Factors" in this MD&A for information on the risks and uncertainties that could have a negative effect on Radiant's liquidity.

In an effort to manage liquidity prudently while the Company moves toward profitability and positive cash flow, Radiant has taken the following steps to re-position Radiant for long term success:

- Winding down its German entity and operations;
- Deferred completion of construction of its Edmonton III facility;
- Streamlined operations to reflect the deferral of its major construction projects and to support the Company's increased focus on white label products;
- Focused its business development efforts on adding customers requiring contract manufacturing/white label products; and
- The Company continues to review operating expenses to determine where economies can be realized with significant reductions having taken place as at the date of this MD&A.

These initiatives are expected to provide the Company with increased liquidity and flexibility to meet its financial commitments, including its near-term obligations of \$37.7 million (refer to the "Contractual Obligations" table below).

As of June 30, 2022, the Company has access to the following capital resources available to fund operations and obligations:

- Asset backed financing options:
 - Radiant is working with a wide range of conventional lenders and with alternative asset backed lenders to finance its liquidity needs with backing from its real estate and other assets. There can be no assurance that Radiant will complete any asset-backed financing. Radiant is continuing with these efforts and is also actively working with its current mortgage lender to restructure its mortgage obligations to reduce its interest costs and debt obligations.

The Company is working on securing additional financing to support its activities. Notably, the Company is pursuing long-term, asset backed lending alternatives backed by real estate and equipment, with efforts also being made to secure funding options backed by trade receivables.

Significant uncertainty exists in the Canadian cannabis industry. This uncertainty revolves around the introduction of cannabis 2.0 products, industry inventory levels and difficult public markets restricting the ability of industry participants to raise equity. Additionally, COVID-19 introduced further uncertainties in both public equity markets and traditional lending markets. Both have negatively impacted the Company's operations and the Company's ability to raise additional financing.

The Company has deferred the completion of Edmonton III. The Company, as at June 30, 2022, has an unpaid amount of \$5.2 million to its general contractor for the construction of its Edmonton III facility. In support of the Company and its efforts to secure additional financing the general contractor has been granted security on the Company's Edmonton I/II facility and its Edmonton III facility.

In addition to the financing initiatives, efforts are underway to look at a range of options including additional equity issuances and restructuring of liabilities to provide liquidity to bridge the negative working capital position. As of the date of this MD&A, \$14.7 million of balances owed to trade creditors are overdue by 120 days or greater. Certain of the Company's creditors are pursuing legal recourse for the amounts outstanding. The Company has been able thus far to negotiate settlements with the creditors on a case-by-case basis.

Going Concern Uncertainty

The Company's consolidated financial statements were prepared on a going concern basis, however, Radiant currently has insufficient cash to fund its operations for the next 12 months. Whether and when the Company can attain profitability and positive cash flows is uncertain. These uncertainties cast significant doubt upon the Company's ability to continue as a going concern. See "Core Business and Strategy – Overview".

Cash Flow Highlights

The table below summarizes the Company's cash flows for the year ended:

	June 30, 2022	June 30, 2021
Cash, beginning of year	\$ 31,878	\$ 485,544
Cash used in operating activities	(32,321)	(348,204)
Cash provided by financing activities	35,000	13,013
Cash used in investing activities	-	(9,746)
Net increase (decrease) in cash during the period	2,679	(344,937)
Cash, end of period	\$ 34,557	\$ 140,607

Cash used in operating activities for the three months ended June 30, 2022, was \$32,321 representing a decrease of \$315,883 compared to the same period in the prior year. This decrease is mainly a result of the improvement in the net loss for the company due to cost reductions and one-time expenses in the prior year.

Cash provided by financing activities for the three months ended June 30, 2022, was \$35,000, representing an increase of \$21,984 compared to the same period in the prior year. The increase is mainly due to a \$35,000 promissory note received in the current period, partially offset by a repayment of \$13,016 of long-term debt.

No cash was used in investing activities for the three months ended June 30, 2022.

Contractual Obligations and Commitments

The Company has entered into various non-cancellable commitments with contract terms ranging between one and five years as follows:

	June 30, 2022	March 31, 2022
Capital expansion projects	\$ 1,340,542	\$ 1,340,542
Leases not yet commenced	130,500	130,500
Variable lease payments for lease liabilities	1,066,488	1,183,003
Network services contracts	36,342	7,568
Purchase and retrofitting of equipment	89,083	89,083
Maintenance contracts	-	12,567
Direct materials	570,000	570,000
	\$ 3,232,955	\$ 3,333,263

The Company's contractual liabilities and obligations are as follows:

	< 1 year	1 to 3 years	4 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	\$19,908,356	\$ -	\$ -	\$ -	\$19,908,356
Facility construction liabilities	6,139,757	-	-	-	6,139,757
Short-term borrowings	1,280,000	-	-	-	1,280,000
Long-term debt	10,759,774	-	-	-	10,759,774
Lease liabilities	1,494,307	87,543	-	-	1,581,850
Balance June 30, 2022	\$39,582,194	\$ 87,543	\$ -	\$ -	\$39,669,737
Accounts payable and accrued liabilities	\$18,192,063	\$ -	\$ -	\$ -	\$18,192,063
Facility construction liabilities	6,015,277	-	-	-	6,015,277
Short-term borrowings	1,245,000	-	-	-	1,245,000
Long-term debt	10,809,814	-	-	-	10,809,814
Lease liabilities	1,437,349	160,817	-	-	1,598,166
Balance March 31, 2022	\$37,699,503	\$ 160,817	\$ -	\$ -	\$37,860,320

The contractual liabilities and obligations included in the tables above include both principal and interest cash flows.

Working Capital

Working capital is current assets less current liabilities. As at June 30, 2022, Radiant had a working capital deficit of \$36,165,436 as compared to a working capital deficit of \$35,100,888 as at March 31, 2022. The \$1,064,548 increase in working capital deficit is primarily related to the increase in accounts payable of \$1,716,293, increased short-term borrowings by \$35,000, increased inventories by \$215,074, increased receivables of \$577,931 and increased prepaids of \$35,009.

Working capital is a non-IFRS measure. See "Non-IFRS Measures".

Related Party Transactions

The Company's related parties are its Board of Directors, key management: Chief Executive Officer – Harry Kaura (CEO), Chief Financial Officer – Prakash Hariharan (CFO) and Chief Technology Officer – Steven Splinter (CTO), as well as any companies controlled by key management personnel or directors. Transactions conducted with related parties took place in the normal course of operations and are measured at the amount of consideration established and agreed to by the related parties.

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not included in the details of the related party transactions which follow.

Key Management Personnel and Director Remuneration

The remuneration of directors and key management personnel follows:

	Three months ended June 30,	
	2022	2021
Compensation	\$ 64,875	\$ 73,875
Short-term benefits	-	-
	<u>\$ 64,875</u>	<u>\$ 73,875</u>

Compensation includes key management salaries, severance, consulting fees and director's fees.

As at June 30, 2022, \$816,290 (March 31, 2022 - \$621,680) was included in accounts payable and accrued expenses for amounts owing to key management personnel, directors and companies controlled by key management personnel or directors.

Equity transactions

During the year ended March 31, 2022

During the year ended March 31, 2022, certain directors and officers were issued 12,014,988 units as part of a private placement for gross proceeds of \$720,899. All securities issued in connection with the private placement are subject to a statutory hold period expiring on May 1, 2022.

Services provided

A property management company owned by a director received \$141,575 during the year ended March 31, 2022, for rental lease payments and operating costs associated with the rental of a warehouse required by the Company.

Cash advances

During the three months ended June 30, 2022, a director of the Company advanced \$116,110 to the Company. This advance is non-interest bearing, has no fixed repayment terms and is payable on demand.

During the year ended March 31, 2022, the Company received \$45,000 in advances from directors of the Company and \$125,000 from a related company. The Company repaid \$125,000 to the related party during the year ended March 31, 2022. These advances are non-interest bearing, have no fixed repayment terms and are payable on demand.

Short-term borrowings

A director of the company advanced \$2,500,000 of demand loan to the Company. The loan is secured by a second charge on the land and property of the Company and bear interest at 21.0%. The Company renegotiated the terms of the loan with Akaura in February 2021. As a result of the renegotiation, the Company issued 20,952,381 shares of the Company to Akaura to settle \$2,200,000 of the Company's outstanding debt with Akaura. Akaura extended \$1,000,000 of the outstanding liability under a new agreement with the Company and forgave \$219,937 of the Company's existing debt. The Company reimbursed Akaura for legal and financing fees of \$138,273 relating to the renegotiation.

The new loan agreement allows an interest free period on the loan until June 1, 2021, at which time the \$1,000,000 was expected to be paid in full. The loan was not repaid on June 1, 2021, and as a result, interest in the amount of 3% per month, retroactive to March 2021 has been charged and will continue to be charged until payment is received in full. The Company recorded interest expense of \$90,000 in the three months ended June 30, 2022 associated with this loan.

Financial Instruments and Related Risk

Cash, accounts receivable and deposits are classified as financial assets at amortized cost. Financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

Financial liabilities are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method. The Company's financial liabilities include short-term borrowings, facility construction liabilities, accounts payable and accrued liabilities, long-term debt, and lease liabilities.

The fair value of cash, accounts receivable, deposits, short-term borrowings and accounts payable and accrued liabilities approximate their carrying amount due to their short-term nature. The fair values of long-term debt, facility construction liabilities, and lease liabilities are estimated to approximate their carrying value because the interest rates do not differ significantly from current interest rates for similar types of borrowing arrangements.

The Company has exposure to credit, interest rate, liquidity, foreign exchange and credit risk as follows:

Credit Risk

Credit risk is the risk that the counterparty to a financial asset will default, resulting in the Company incurring a financial loss. The Company is exposed to credit risk on its cash, and accounts receivable and to a maximum of the carrying value of the items at the reporting date.

The Company mitigates its exposure to credit risk related to its cash by holding funds with reputable financial institutions.

The Company's trade receivables are monitored on an ongoing basis for impairment.

As at June 30, 2022, the Company had \$477,159 (March 31, 2022 - \$117,376) of trade accounts receivable balances. Credit risk is limited with respect to trade accounts receivable as all receivables are with reputable customers who reliably pay according to the payment terms of the contracts with the Company.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest rate risk in respect of its variable rate long-term debt.

As at June 30, 2022, the increase or decrease in annual net income for each one percent change in interest rate on the variable rate long-term debt would amount to \$99,291 (March 31, 2022 - \$99,291).

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations.

The Company manages its liquidity risk by forecasting cash flow requirements for its planned development, production and corporate activities and anticipating investing and financing activities. Management and the Board are actively involved in the review, planning and approval of annual budgets and significant expenditures and commitments.

The Company could encounter difficulty in meeting its financial obligations if certain risks were to occur. See the Risk Factors section of this MD&A for additional related discussion and details. The Company's contractual liabilities and obligations are as follows:

	< 1 year	1 to 3 years	4 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	\$19,908,356	\$ -	\$ -	\$ -	\$19,908,356
Facility construction liabilities	6,139,757	-	-	-	6,139,757
Short-term borrowings	1,280,000	-	-	-	1,280,000
Long-term debt	10,759,774	-	-	-	10,759,774
Lease liabilities	1,494,307	87,543	-	-	1,581,850
Balance June 30, 2022	\$39,582,194	\$ 87,543	\$ -	\$ -	\$39,669,737
Accounts payable and accrued liabilities	\$18,192,063	\$ -	\$ -	\$ -	\$18,192,063
Facility construction liabilities	6,015,277	-	-	-	6,015,277
Short-term borrowings	1,245,000	-	-	-	1,245,000
Long-term debt	10,809,814	-	-	-	10,809,814
Lease liabilities	1,437,349	160,817	-	-	1,598,166
Balance March 31, 2022	\$37,699,503	\$ 160,817	\$ -	\$ -	\$37,860,320

The contractual liabilities and obligations included in the tables above include both principal and interest cash flows.

As of the date of this MDA, \$14.7 million of obligations with trade creditors are overdue by 120 days or more. The Company is also in arrears with rent, long-term debt and lease liabilities. Radiant is actively working with its creditors to offset this situation and recognizes the associated liquidity risk to the Company if the financing initiatives do not materialize.

Foreign Exchange Risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company operates on an international basis and is subject to foreign exchange risk related to financial assets and liabilities denominated in a foreign currency. The Company's objective with respect to foreign exchange risk, is to minimize the impact of the volatility where possible, through effective cash flow management. The following table provides an indication of the Company's exposure to changes in the value of foreign currencies relative to the Canadian dollar as at June 30, 2022. The analysis is based on financial

assets and liabilities denominated in Euro ("EUR"), British Pound ("GBP"), US Dollar ("USD") and Swiss Franc ("CHF").

	(GBP)	(EUR)	(CHF)	(USD)
Accounts payable and accrued liabilities	(79,000)	(389,912)	(23,000)	(886,874)
Net balance sheet exposure	(79,000)	(389,912)	(23,000)	(886,874)
Translation rate at June 30, 2022	1.5668	1.3467	1.3489	1.2886
Net income impact of 10% rate change	(7,900)	(38,991)	(2,300)	(88,687)

The estimated net income impact of a 10% rate change assumes other variables remain unchanged. The timing and volume of foreign currency denominated transactions as well as the timing of their settlement could impact the sensitivity analysis.

Risk Factors

Readers are cautioned that the following is a summary only of certain risk factors and is not exhaustive and is qualified in its entirety by reference to and must be read in conjunction with the additional information on these and other factors that could affect the Company's operations and financial results that may be accessed through the Company's profile on SEDAR (www.sedar.com), including Radiant's AIF and Annual MD&A.

Financial History and Capital Requirements

The Company has incurred operating losses and not had a corresponding increase in revenues to offset these losses. The operations of the Company and execution on the business opportunities will depend on its ability to generate operating revenues through additional customers and to procure financing. The Company had a cumulative deficit of \$153,850,062 as of June 30, 2022, with a working capital deficiency of \$36,325,201. The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that additional financing, including offerings of Notes or Debentures, can be obtained on terms favourable to Radiant or on any terms. Failure to raise the necessary funds in a timely fashion may also limit Radiant's ability to move its programs forward in a timely and satisfactory manner or cause it to abandon the programs or force it to pursue alternative strategic options; any of which would harm its business, financial condition and results of operations, or affect its ability to continue operating.

Impact of the COVID-19 Pandemic

Since March 31, 2020, the outbreak of the novel strain of coronavirus, specifically identified as COVID-19, has resulted in governments worldwide, including Canada, the United States and several European countries enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Such events may result in a period of business disruption, and in reduced operations, any of which could have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities.

Governments and central banks have reacted to the COVID-19 pandemic with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is

not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

To date, a number of businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the Company's properties is suspended or scaled back, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities.

To the extent that the Company's management or other personnel are unavailable to work due to the COVID-19 pandemic, whether due to illness, government action or otherwise, it may have a material adverse impact on the Company's profitability, results of operations, financial condition and the trading price of the Company's securities.

The breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse impact on the Company's profitability, results of operations, financial conditions, ability to raise additional capital and the trading price of the Company's securities. The Company has experienced delays in financing, reduction in plant operations, layoff of staff, reduction in discretionary costs and deferral of projects to manage cash flows.

Outstanding Share Data

As at the date of this MD&A, the Company has:

Common shares issued and outstanding: 539,868,021

Fully diluted common share capital: 622,022,285

Stock Options

14,263,000 stock options of the Company are issued and outstanding with a weighted average exercise price of \$0.66. Each stock option entitles its holder to purchase one common share of the Company with varying expiry dates up to February 11, 2026.

Finders' Options

1,630,275 finders' options with a weighted average exercise price of \$0.20 are issued and outstanding. Each option entitles its holder to purchase one unit of the Company with an expiry date of May 23, 2023. If exercised, these units would include 1,630,275 common shares and 1,630,275 common share purchase warrants entitling the holder to subscribe for additional common shares at a weighted average price of \$0.30 per common share with an expiry date of May 23, 2023.

Warrants

64,630,714 are issued and outstanding with a weighted average exercise price of \$0.19. Each warrant entitles its holder to purchase one common share of the Company with varying expiry dates up to January 27, 2024.