MANAGEMENT'S DISCUSSION AND ANALYSIS OF JASPER FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2024

The following Management's Discussion and Analysis ("**MD&A**") for Jasper Commerce Inc. ("**Jasper**" or the "**Company**") provides a review of the results of operations, financial condition, and cash flows of the Company for the nine month period ended April 30, 2024. This document should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements, and the accompanying notes, as of and for the nine month periods ended April 30, 2024 and 2023. The financial statements, including the notes thereto, and the financial information presented in this MD&A have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are stated in Canadian currency unless otherwise indicated. Whenever used in this MD&A, the term "**Common Shares**" means Class A common shares in the capital of the Company.

The content of this MD&A has been approved by the board of directors of the Company (the "**Board**" or "**Board of Directors**") on July 2, 2024.

FORWARD LOOKING STATEMENTS AND DISCLAIMER

Certain information set out in this MD&A constitutes forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "hope", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "scheduled", "believe" and similar expressions.

Forward-looking statements are based upon the opinions, expectations and estimates of management and, in some cases, information received from or disseminated by third parties, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include such things as the Company's current stage of development, the lack of a track record with respect to the generation of revenues from performance-based arrangements with users, its reliance on third parties and third party technology, the existence of competition, the availability of external financing, the inherent risks associated with research and development activities and commercialization of emerging technologies (such as lack of market acceptance), timing of execution of various elements of the Company's business plan, the availability of human resources, the emergence of competing business models, new laws (domestic or foreign), lack of acceptance by users, management's estimates of project requirements being incorrect, information received from third parties with respect to anticipated transaction volumes being incorrect, a lack of advertising sources for integration into the Company's platform, management's understanding of the competitive and regulatory environment being incorrect and the other risk factors noted below under the heading "Business Risks and Uncertainties". **Accordingly, readers should not place undue reliance upon the forward-looking information contained herein and the forward-looking statements contained in this MD&A should not be considered or interpreted as guarantees of future outcomes or results.**

The Company does not assume responsibility for the accuracy and completeness of the forward-looking statements set out in this MD&A and, subject to applicable securities laws, does not undertake any obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances. Jasper's forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statement.

INTRODUCTION AND OVERVIEW

Jasper PIM is a leading Product Information Management ("PIM") solution that empowers eCommerce retailers, wholesalers, or distributors to centralize, organize, and merchandise their products from a single central repository. By leveraging Jasper PIM, merchants can enhance their eCommerce storefronts or marketplaces, reach new consumer markets, and increase their online sales.

Jasper PIM also offers powerful utilities that streamline product data management operations, saving merchants significant time and money. With Jasper PIM, eCommerce merchants can schedule promotional pricing, enrich product data with complex imagery, videos, and marketing content, manage complex attribution, and set up product relationships between multiple products to upsell or cross-sell their goods and services – all from a single dashboard. The PIM also supports the batch management of product information, including multiple languages, currencies, and inventory locations, and affords merchants the ability to manage multiple storefronts or marketplaces quickly and accurately.

Jasper's primary revenue model is subscription-based, with customers signing up for a month-to-month or annual term and agreeing to pay Jasper a fee for utilizing the PIM platform. In addition to subscription revenue, Jasper generates revenue from professional services that assist merchants with the setup, management, and optimization of their PIM. Jasper's shares trade on the TSX Venture Exchange in Canada under the symbol "JPIM".

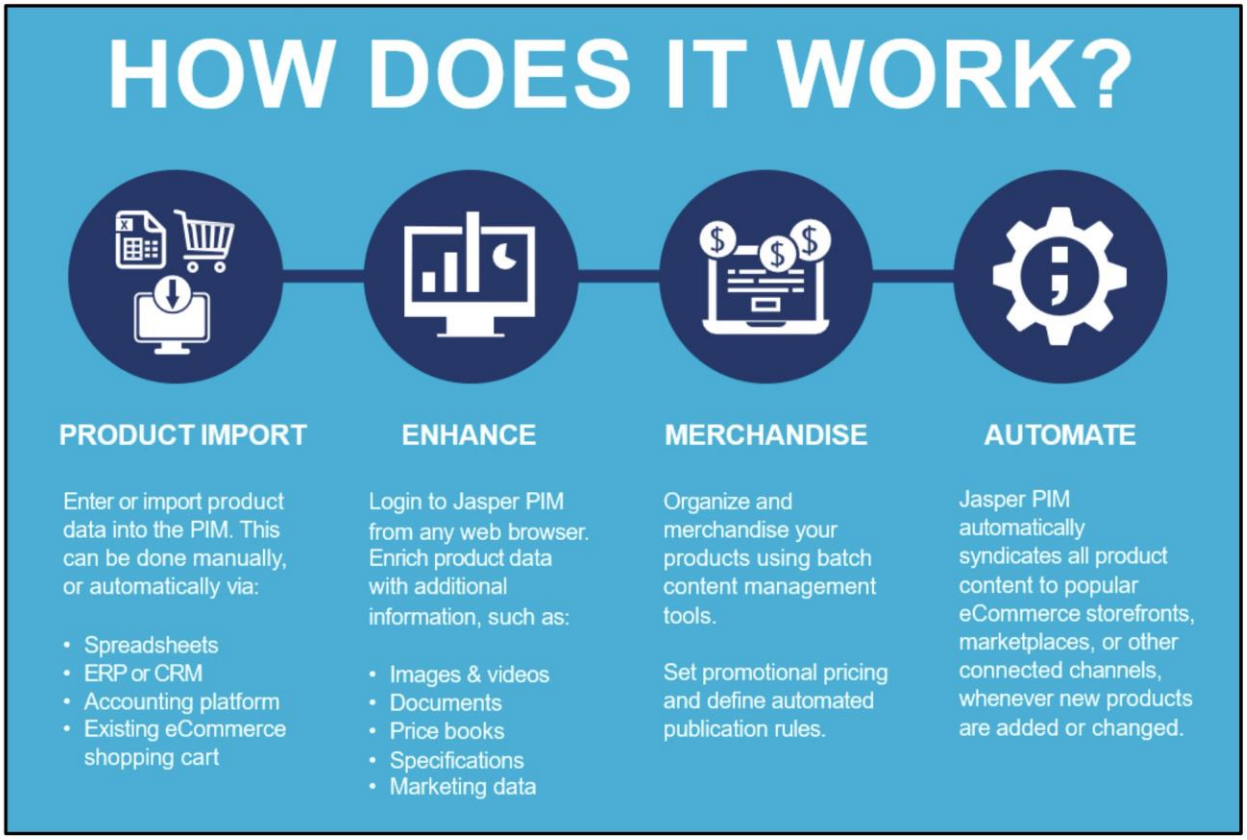
PRODUCT AND SERVICES

Jasper PIM is a powerful SaaS solution that enables eCommerce retailers, wholesalers, or distributors to streamline their product data management operations. With Jasper PIM, customers can save significant amounts of time and money by centralizing, organizing, and enriching their product information from a single source of truth.

Jasper's platform provides a seamless integration between the PIM and the customers' existing eCommerce storefronts and marketplaces, such as Shopify or Amazon, allowing them to reach new consumer markets and increase online sales. Customers can also manage multiple storefronts or marketplaces quickly and accurately through Jasper PIM's batch management of product information, which supports multiple languages, currencies, and inventory locations.

Customers have indicated that they spend a significant portion of their time managing their product or service information. Jasper PIM offers utilities that enable them to schedule promotional pricing, manage complex attribution, and set up product relationships to cross-sell or upsell their goods and services. The PIM also allows customers to enrich their product data with complex imagery, videos, and marketing content, creating a compelling online shopping experience.

Jasper PIM's deep integration with customers' back-office systems, such as inventory management, customer relationship management, or accounting platforms, further enhances their operational efficiency. Jasper's primary revenue model is subscription-based, with customers agreeing to pay monthly or annually for utilization of the PIM platform. In addition to the subscription-based revenue model, Jasper offers professional services to assist customers with the setup, management, and optimization of their PIM.



Jasper offers three distinct product plans to suit the varying needs of their customers.

The Growth plan is designed for businesses looking to scale their product information management. Priced at US $999 per month, this plan includes features such as data import/export, data validation, user roles and permissions, batch data management, basic digital asset management, multi-language support, smart categorization, localization, scheduled pricing and integrations with popular eCommerce platform.

For those seeking more advanced features, the Pro plan is priced at US $1,999 per month and includes everything in the Growth plan, plus features such as advanced attribute management, Shopify markets support, projects and workflows, more advanced digital asset management (DAM) capability and access to Jasper's API/webhook system.

For larger enterprises with more complex needs, Jasper offers an Enterprise plan. This plan is designed for businesses with over 100,000 SKUs or unique needs that require custom solutions. Customers interested in this plan should contact Jasper directly for pricing information. The Enterprise plan includes all the features of the Pro plan, plus our most advanced digital asset management, generic entities, single sign on (SSO), access to a staging (i.e. test) environment, custom data feeds, and priority customer support.

PARTNERSHIPS

Jasper has established valuable partnerships with leading eCommerce agencies, system integrators, and digital service providers that offer complementary listing capabilities to specialty marketplaces such as Amazon and

Walmart. Jasper's largest distribution opportunities are through its integrations with eCommerce platforms like Shopify, Square, and BigCommerce.

Jasper's primary revenue stream comes from its subscription-based model, which offers customers flexible month-to-month, annual, or multi-year contract terms. Customers agree to pay Jasper a monthly or annual fee for access to the PIM platform, which serves as a single source of truth for centralized product information management. Additionally, Jasper generates revenue through its professional services, which are designed to assist customers with PIM setup, best-practices training, and solution planning.

Jasper has also partnered with various Integration Platform as a Service (iPaaS) providers to enable connectivity between the Jasper PIM and many other important business systems.

The types of business systems Jasper can integrate with are nearly limitless, but often include ERPs, CRMs, inventory and warehouse management systems, POS systems, search indexing tools, and modern sales consumer marketplaces such as: Target, Home Depot, and Wayfair, to name a select few. The integration between Jasper PIM and these business systems can be done as a professional service offered directly by Jasper staff using the Jasper API, an internal development team of a customer, a third-party systems integration (SI) team, or through an external integration between Jasper and a third party iPaaS partner.

SALES AND MARKETING ACTIVITIES

Jasper employs a variety of sales and marketing strategies to reach potential customers and develop its sales pipeline. This includes a mix of direct selling, digital marketing, and channel partnerships.

Direct selling involves a team of sales professionals who work to identify and engage with potential customers through various means, such as email outreach, and in-person meetings. This approach allows Jasper to develop direct relationships with its customers and provide personalized support throughout the sales process.

In addition to direct selling, Jasper leverages digital marketing tactics to reach a broader audience and generate leads. This includes online software listings, pay-per-click (PPC) advertising, and social media marketing. These tactics help Jasper increase brand awareness and drive traffic to its website, where potential customers can learn more about the product and initiate contact with the sales team.

Finally, Jasper partners with channel partners, such as eCommerce agencies, system integrators, and other digital service providers, to extend its reach and expand its sales pipeline. These partnerships allow Jasper to tap into the networks and expertise of these partners to reach new customers and offer additional value-added services to existing customers.

SUBSEQUENT EVENTS

Jasper’s ability to continue as a going concern was dependent upon its ability to obtain additional financing to support and grow its operations. The Company’s board was unable to secure additional financing on economically reasonable terms and determined that it was in the best interest of the Company’s stakeholders to sell its assets and discharge its liabilities.

On June 30, 2024, Jasper sold its PIM business and related assets to Digital Commerce Payment Inc. (“DCP”), a private company that is arm’s length to Jasper. Pursuant to the transaction, the Company sold its assets for total consideration of up to $1,500,000 (subject to certain customary purchase price adjustments), consisting of an upfront payment of up to $850,000 and a revenue earn out over a three-year period equal to 25% of gross revenue (not including sales taxes) earned by DCP in respect of the business undertaken by it in respect of the assets acquired. With completion of the transaction, the Company does not have any active business operations or assets other than its contingent rights to receive the earn-out payments set out above, if any. A finder's fee is payable by the Company to an arm's length party equal to 3.5% of transaction proceeds up to $1,000,000 and 5% on proceeds above $1,000,000.

On June 18, 2024, a former employee commenced proceedings against Jasper by way of filing a Statement of Claim. The claim against Jasper seeks $82,750 in damages for loss of salary, loss of benefits and aggravated damages. Jasper is contesting the action and believes the case is without merit. A reliable estimate of the amount of any payment required by the Company cannot be made at this time and therefore the Company has not recorded a provision for this amount.

OUTLOOK

With the closing of the asset sale transaction, Jasper intends to distribute the net proceeds to the Company's creditors. The proceeds from the transaction will not be sufficient to discharge all of the liabilities of Jasper on a consolidated basis. As such, the transaction will not provide any economic return for Jasper's shareholders.

Jasper may focus its efforts on identifying and evaluating suitable assets or businesses to acquire or merge with, with a view to maximizing value for shareholders. The Company will have to raise additional capital to fund such initiatives. There can be no assurance that such capital will be available on reasonable terms, or at all, nor that the Company will be successful in pursuing any transactions.

SELECTED FINANCIAL INFORMATION

The following table sets out selected financial and share information of the Company for the periods then ended.

KEY FINANCIAL METRICS (unaudited)($)	9 months ended Apr 30, 2024	9 months ended Apr 30, 2023	9 months ended Apr 30, 2022
Revenue			
SaaS PIM subscriptions	776,346	948,363	885,850
Professional services	21,484	138,367	420,441
	797,830	1,086,730	1,306,291
Expenses			
General and administrative	506,329	1,557,276	1,689,567
Research and development	176,035	753,045	896,847
Selling and marketing	390,491	856,738	830,042
Hosting	160,013	309,706	221,596
Customer support	136,800	541,228	664,682
Stock-based compensation	(2,416)	106,716	289,262
Loss on settlement	-	-	19,426
Depreciation	31,415	37,429	9,419
Foreign exchange loss	(3,235)	(2,637)	3,731
Finance costs	149,990	22,599	3,681,303
	1,545,422	4,182,100	8,305,875
Net loss before income tax	(747,592)	(3,095,370)	(6,999,584)
Income tax	-	-	-
Net loss	(358,627)	(1,312,382)	(991,691)
Weighted Average number of Shares Outstanding	58,079,619	58,079,619	27,069,257
Loss per share (weighted)	(0.01)	(0.02)	(0.04)

KEY FINANCIAL METRICS (unaudited)($)	3 months ended Apr 30, 2024	3 months ended Apr 30, 2023	3 months ended Apr 30, 2022
Revenue			
SaaS PIM subscriptions	251,355	314,460	309,033
Professional services	3,115	29,055	74,263
	254,470	343,515	383,297
Expenses			
General and administrative	45,023	351,637	709,958
Research and development	53,215	182,304	360,765
Selling and marketing	71,157	180,295	344,731
Hosting	43,179	96,908	86,428
Customer support	13,482	98,826	314,820
Stock-based compensation	8,982	22,242	148,297
Loss on settlement	-	-	-
Depreciation	9,719	11,614	2,700
Foreign exchange loss	(745)	(2,645)	4,867
Finance costs	56,852	25,312	3,210,371
	300,864	966,493	5,182,937
Net loss	(46,394)	(622,978)	(4,799,641)

As at	Apr 30, 202	Apr 30, 2023	Apr 30, 2022
Total assets	212,171	930,283	4,492,650
Total current liabilities	873,355	937,434	792,535
Total non-current liabilities	1,099,631	669,778	240,611

RESULTS OF OPERATIONS

Revenues
Jasper's primary revenue model is subscription based, whereby customers sign up for a month-to-month or annual term, agreeing to pay Jasper monthly (or annually) for ongoing usage of the PIM platform.

The secondary revenue model is from carefully curated strategic professional services, offered by qualified Jasper staff to assist Jasper PIM customers with the setup of the product, training on best-practices, and solution planning with the intent of integrating the PIM with other business systems.

Subscription and services revenue declined 27% for the nine months ended April 2024 and 26% for the three months ended April 2024 compared to 2023. Jasper lacks sufficient resources to invest in marketing efforts to replace expired contracts and grow sales.

General and administrative
General and administrative costs consist primarily of the salaries of the CEO, CFO, COO/CTO and administrative support, office costs, and various professional and advisory services. General and administrative costs decreased by 67% for the nine months ended April 2024 and 87% for the three months ended April 2024 compared to 2023, primarily due to a reduction in salaries as part of management's focus on reducing costs. With the sale of the

Company's assets, Jasper expects that general and administrative costs will mainly consist of a small fee for the Company's directors.

Research and development

Research and development costs consist of employee salaries and fees from contractors. Development costs decreased by 77% for the nine months ended April 2024 and 71% for the three months ended April 2024 compared to 2023, primarily due to a reduction in salaries as part of management's focus on reducing costs. With the sale of the Company's assets, Jasper expects no future development costs.

Selling and marketing

Jasper reduced spending on selling and marketing expenses as a part of its strategic plan to reduce expenses. Selling and marketing expenses decreased by 54% for the nine months ended April 2024 and 61% for the three months ended April 2024 compared to 2023. With the sale of the company's assets, Jasper expects no future selling and marketing costs.

Hosting

Jasper transitioned to a new hosting provider for its customers in an effort to reduce costs. Hosting costs have fallen from the prior quarter as the duplication of services (between the old provider of hosting services, and the new cheaper one) was reduced as customers made the transition to the cheaper provider. With the sale of the Company's assets, Jasper expects no future hosting costs.

Customer support

Jasper reduced spending on customer support as a part of its strategic plan to reduce expenses. Customer support costs decreased by 75% for the nine months ended April 2024 and 86% for the three months ended April 2024 compared to 2023. With the sale of the Company's assets, Jasper expects no future customer support costs.

Stock based compensation

On April 30, 2024, the remaining unvested value of the Company's stock options is $20,402 which will be recognized through May 2026.

Depreciation

Jasper does not expect significant capital costs in future periods.

Finance costs

Finance costs consist primarily of interest paid on loaned funds offset by interest earned on invested funds. Finance costs increased by $127k for the nine months ended April 2024 and $32k for the three months ended April 2024 compared to 2023, consistent with an increase in outstanding loans and debentures. Jasper intends to settle all outstanding liability amounts using the proceeds from its asset sale.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected financial information of the Company for the quarters indicated.

(000's, except per share amounts)	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Revenue								
SaaS PIM subscriptions	335	309	325	315	333	274	251	251
Professional services	40	71	38	29	20	12	7	3
Other	(3)	-	-	-	-	-	-	-
	373	380	363	344	353	286	258	254
Expenses								
General and administrative	766	545	661	352	99	240	221	45
Research and development	114	337	233	183	187	66	56	53
Selling and marketing	493	351	325	181	219	139	180	71
Hosting	103	105	108	97	65	61	56	43
Customer support	339	267	176	99	74	61	63	13
Stock-based compensation	152	81	3	22	5	26	(37)	9
Depreciation	12	14	12	11	12	11	11	10
Foreign currency	6	(2)	2	(3)	9	(3)	-	(1)
Finance costs	(725)	(5)	2	25	41	43	50	57
	1,260	1,693	1,522	965	711	645	645	301
Net loss before income tax	(887)	(1,313)	(1,159)	(623)	(358)	(359)	(359)	(46)
Loss per share (weighted)	(0.02)	(0.02)	(0.02)	(0.01)	(0.01)	(0.00)	(0.01)	(0.00)

A lower revenue trend reflects customer decisions to rationalize technology spending in the high interest-rate environment and a lack of Jasper resources to invest in sales and marketing efforts. Jasper responded with management changes and by focusing on customer satisfaction and retention. Expenses fell as Jasper continued to pursue efficiencies and the lowest cost options for servicing existing customer needs.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that Jasper will not be able to meet its financial obligations as they fall due. The reported financial position of the Company presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. On April 30, 2024, Jasper has accumulated a deficit of $19,627,147 since the Company commenced operations in 2010. As at April 30, 2024, Jasper had cash of $100,817, current liabilities of $873,355, and working capital deficit of $662,344.

Cash flows from operating activities primarily consist of the Company's loss before adjusting for certain non-cash items such as depreciation, stock-based compensation and finance costs, and changes in working capital. Net cash outflows from operating activities for the first nine (9) months of 2024 totaled $414,273, compared to $2,465,764 in 2023. The decrease was due to a reduction in expenditures consistent with the Jasper's strategic plan.

Cash inflows from financing activities for the first six (9) months of 2024 totaled $372,237, including $300,000 in net proceeds from a series of promissory notes, $115,500 from issuance of debentures less a $5,500 setup fee, and offset mainly by interest payments and by $25,320 in loan repayments.

Jasper's ability to continue operations remains dependent upon its ability to: 1) raise additional funds; 2) realize transaction revenues from existing users; and 3) secure new users that provide the Company with adequate funds to cover projected expenditures (or a combination of the foregoing). The Company's board was unable to secure additional financing on economically reasonable terms and determined that it was in the best interest of the Company's stakeholders to sell its assets and discharge its liabilities.

On June 30, 2024, Jasper sold its PIM business and related assets to Digital Commerce Payment Inc. ("DCP"), a private company that is arm's length to Jasper. Pursuant to the transaction, the Company sold its assets for total consideration of up to $1,500,000 (subject to certain customary purchase price adjustments), consisting of an upfront payment of up to $850,000 and a revenue earn out over a three-year period equal to 25% of gross revenue (not including sales taxes) earned by DCP in respect of the business undertaken by it in respect of the assets acquired. With completion of the transaction, the Company does not have any active business operations or assets other than its contingent rights to receive the earn-out payments set out above, if any. A finder's fee is payable by the Company to an arm's length party equal to 3.5% of transaction proceeds up to $1,000,000 and 5% on proceeds above $1,000,000.

With the closing of the asset sale transaction, Jasper intends to distribute the net proceeds to the Company's creditors. The proceeds from the transaction will not be sufficient to discharge all of the liabilities of Jasper on a consolidated basis. As such, the transaction will not provide any economic return for Jasper's shareholders.

DEBT OBLIGATIONS

On December 21, 2023 six (6) notes issued to a shareholder were combined into one loan of $300,000 due December 21, 2026 bearing interest at 8% payable semi-annually in arrears commencing with June 21, 2024. The note is a secured obligation of the Company and has a floating charge over the Company's assets, ranking behind the convertible debentures in seniority.

On December 21, 2023 Jasper closed a non-brokered private placement of convertible debenture units for aggregate gross proceeds of $115,500. Each convertible debenture unit is comprised of: (i) $1,000 principal amount of 15% secured convertible debenture that matures on December 21, 2026; and (ii) 19,000 common share purchase warrants. Interest is payable quarterly in cash. In connection with the private placement, Jasper paid a setup fee of $5,500. The convertible debentures are secured obligations of the Company and have a floating charge over the Company's assets.

The following table sets out the next five years of payments of Jasper's debt obligations, at carrying values:

Measured To July 31,	**2024**	**2025**	**2026**	**2027**	**2028**
Accounts payable	$ 613,385	-	-	-	-
Loans payable	25,320	$ 64,340	$ 32,040	$ 366,335	-
Convertible debentures	-	-	-	$ 93,821	$ 599,425
Total	**$ 638,705**	**$ 64,340**	**$ 32,040**	**$ 460,156**	**$ 599,425**

With the closing of the asset sale transaction, Jasper intends to distribute the net proceeds to the Company's creditors and discharge all liabilities. The proceeds from the transaction will not be sufficient to discharge all of the liabilities of Jasper on a consolidated basis. Jasper intends to negotiate the settlement of liabilities with creditors and may rely on a restructuring or insolvency process.

OFF-BALANCE SHEET ARRANGEMENTS

Jasper did not have any off-balance sheet arrangements on April 30, 2024. The Company neither had any commitments for capital expenditures on April 30, 2024 nor any financing sources arranged, but not yet used.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

On April 30, 2024, the Company held various forms of financial instruments as follows:

Financial assets/liabilities	Designation	Measurement	Carrying Value ($) Jan 31, 2024	Fair Value ($) Jan 31, 2024
Cash and cash equivalents	FVTPL	Fair value	100,817	100,817
Accounts receivable	Loans and receivables	Amortized cost	45,442	45,442
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost	613,385	613,385
Loans payable (BDC loans, CEBA loan, promissory notes)	Other financial liabilities	Amortized cost	488,035	372,670
Convertible debentures	Other financial liabilities	Amortized cost	693,246	675,946

The nature of these financial instruments and the Company's operations exposes Jasper to a number of financial risks, including credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

Financial assets that are exposed to credit risk consist primarily of cash and cash equivalents and accounts receivable. On April 30, 2024, all of the Company's cash and cash equivalents were held at a major Canadian bank.

Accounts receivables are subject to normal credit risks. Any amounts not provided for would be considered fully collectible.

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures. See the section titled "Liquidity and Capital Resources" above for further discussion.

The Company operates internationally and is exposed to risk from changes in foreign currency rates. Foreign currency risk arises from the fluctuation of foreign exchange rates and the degree of volatility of these rates relative to the Canadian dollar. The Company sells PIM software subscriptions and consulting services in both

Canadian and foreign currencies. The sale of software and services in foreign currencies gives rise to the risk that the Company's income and cash flows may be adversely impacted by fluctuations in foreign exchange rates. Certain purchases of services and equipment are also made in non-Canadian currencies. The Company does not actively manage this risk and uses its natural hedge to mitigate, to the extent possible, the impact of foreign exchange fluctuations.

The Company is primarily exposed to foreign exchange risk from transactions in U.S. dollars. The sensitivity analysis of its exposure to currency risk has been determined based on a hypothetical change in the foreign exchange rates taking place at the reporting date. Fluctuations of 10% in the exchange rates for these currencies, when compared to the Canadian dollar, are not expected to individually have a material effect on the Company's results of financial performance.

The carrying values of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to the immediate or short-term maturity of these financial instruments. The fair value for loans payable and convertible debentures are estimated assuming a market rate of interest for arms length debt would be 25%.

BUSINESS RISKS AND UNCERTAINTIES

The business of the Company is subject to numerous risk factors, including those more particularly described below. An investment in or ownership of Common Shares should be considered highly speculative due to the nature of the Company's business, its current stage of development and the potential requirement for additional financing.

<u>COVID-19</u>
The outbreak of the novel strain of the coronavirus, specifically identified as the COVID-19 pandemic, has caused governments worldwide to enact emergency measures to combat the spread of the virus. The Company applied for and received certain government funding which was integral to the Company's financial condition. The full extent of the impact of this outbreak and related containment measures on the Company's operations cannot be reliably estimated at the date these financial statements were approved, and the Company continues to seek available government support.

<u>Substantial Capital Requirements; Liquidity; Going Concern</u>
Because of the costs associated with further development of Jasper's technology and business, and the fact that Jasper's ability to generate revenue will depend on a variety of factors (including the ability of Jasper to meet its development schedule and consumer acceptance of Jasper technologies), additional funds may be required to support Jasper's business. Jasper has accumulated a substantial deficit and continues to have operating losses. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Additional funds (whether through additional equity financing, debt financing or other sources) may not be available (at all or on terms acceptable to Jasper) or may result in significant dilution to Jasper shareholders or significant interest obligations. The inability to obtain additional funds in the short term will have a material adverse effect on Jasper's business, results of operations, and financial condition and could result in the Company ceasing operations.

<u>No Record of Profit</u>
Jasper has incurred significant losses to date, and there can be no assurance that the future business activities of Jasper will be profitable. Since its organization, Jasper has incurred costs to develop and enhance its technology, to establish strategic relationships and to build administrative support systems. Jasper has incurred negative

operational cash flow to date. Jasper incurred losses of $747,592 for the 9 months ending April 30, 2024. Jasper's ability to operate profitably and generate positive cash-flow in the future will be affected by a variety of factors (including: its ability to further develop and test its technology on schedule and on budget, the pace at which it secures additional users, the time and expense required for the roll-out of its technology, its success in marketing its applications, the intensity of the competition experienced by Jasper and the availability of additional capital to pursue its business plan, including development of new solutions and services). An inability to generate sufficient funds from operations will have a material adverse effect on Jasper's business, results of operations and financial condition.

Developing Market

Jasper is engaged in the development and marketing of an application that is relatively new and, as such, the primary market for Jasper's applications is underdeveloped and continues to evolve. As is typical in the case of a new evolving industry segment, the demand for the Company's applications is subject to a high level of uncertainty. If the markets for the Jasper applications fail to develop, develop more slowly than expected or become saturated with competitors, or if the Company's applications do not achieve and maintain market acceptance, the Company's business, results of operations and financial condition will be materially adversely affected.

Current Enterprise Value assigned by the Market Liquidity

The actions of all stakeholders in the business may be adversely affected by the current market capitalization of the Company. These stakeholders include users, potential users, competitors, and current or prospective employees. These stakeholders may ascribe a higher business risk to the Company due to its relatively low market capitalization, and any perception of higher risks may have a material adverse effect on Jasper's business, results, and financial condition.

Third-Party Technology

In providing its solutions and services, Jasper is, and will continue to be, dependent on technologies and infrastructure that are beyond Jasper's control, including smartphones, computers, cellular telephone networks, cloud computing services, and payment systems. There can be no assurance that, if weaknesses or errors in third-party software or hardware are detected, Jasper will be able to correct or compensate for such weaknesses or errors. If Jasper is unable to address weaknesses or errors and the Company's technology is therefore unable to meet consumer needs or expectations, Jasper's business, results of operations and financial condition will be materially adversely affected. In addition, there can be no assurance that the Company will continue to have access to required third-party technology on terms acceptable to Jasper. If Jasper is unable to obtain third-party technology on acceptable terms, Jasper's business, results of operations and financial condition will be materially adversely affected.

Rapid Technological Change

The technology industry is subject to rapid change, and the inability of Jasper to adapt to such change may have an adverse effect on Jasper's business, results of operations and financial condition. The effect of new developments and technological changes on the business sector in which Jasper is active cannot be predicted. Such developments would include but are not limited to: change in web browser technology, how mobile advertising is delivered by advertisers and transacted with potential consumers, changes to or the development of alternative payment systems, changes to smartphone technology, a change in the success rate on the application of analytics in advertising, consumer backlash resulting from the collection and use of demographic intelligence, and industry consolidation. Jasper's failure to adapt to any of the above could have a material adverse effect on Jasper's business, results of operations and financial condition.

Competition

Jasper is subject to competition from other organizations (many of which have substantially greater human and financial resources) and there can be no assurance that Jasper will be able to compete effectively in its target markets. Technologies do exist that are competitive with the Company's offerings. Certain organizations with substantially greater financial and human resources than the Company have active research and development initiatives involving the development and implementation of consumer online and mobile buy/sell/trade solutions. The inability of Jasper to preserve existing users and secure additional users due to competitive technologies will have a material adverse effect on Jasper's business, results of operations and financial condition.

In addition, advances in communications technology as well as changes in the marketplace and the regulatory environment are constantly occurring and any such change could have a material adverse effect on Jasper.

Need for Research and Development

To achieve its business objectives and obtain market share and profitability, Jasper will need to continually research, develop and refine the Company's applications. Many factors may limit Jasper's ability to develop and refine required technologies or to create, acquire or negotiate access to new technologies. Jasper may also be exposed to marketplace resistance to new technology and services. Any failure of Jasper to develop new technologies or refine its existing technologies or offer new applications could have a material adverse effect on Jasper's business, results of operations and financial condition.

Defects and Liability

The software utilized to deliver the Company's applications is complex and sophisticated and may contain design defects or software errors that are difficult to detect and correct. There can be no assurance that the Company's technologies will be free from errors or defects, or, if discovered, that Jasper will be able to successfully correct such errors in a timely manner or at all. Errors or failures in the Company's technologies could result in loss of or delay in market acceptance and usage of the Company's applications and correcting such errors and failures could require significant expenditures. Because of the competitive nature of the marketplace in which the Company's applications is delivered, the reputational harm resulting from errors and failures could be very damaging to Jasper. The consequences of such errors and failures could have a material adverse effect on Jasper's businesses, results of operations and financial condition.

Patents and Other Intellectual Property

Competitors may have filed patent applications or hold issued patents relating to services or processes competitive with those of Jasper. Others may independently develop similar services or duplicate unpatented elements of the Company's technologies.

Jasper's success will be largely dependent upon its ability to protect its proprietary technologies. Jasper relies upon copyrights, trademarks, and trade secrets to protect its intellectual property. Where appropriate, Jasper also enters into non-disclosure agreements with persons to whom it reveals proprietary information. Any failure or inability on the part of Jasper to protect its intellectual property could have a material adverse effect on Jasper's business, results of operations and financial condition.

Jasper may be required to engage in litigation in the future to enforce or protect its intellectual property rights or to defend against claims of invalidity and Jasper may incur substantial costs as a result. Any claims or litigation initiated by Jasper to protect its intellectual property could result in significant expense to Jasper and diversion of the efforts of Jasper's technical and management resources, whether or not the claims or litigation are determined in favor of Jasper.

Ability to Manage Growth
Responding to consumer demands, expansion into other geographical markets and targeted growth in Jasper's business has placed, and is likely to continue to place, significant strains on Jasper's administrative and operational resources and increased demands on its management, internal systems, procedures and controls. If Jasper experiences rapid acceptance of its applications, the need to manage such growth will add to the demands on Jasper's management, resources, systems, procedures and controls. There can be no assurance that Jasper's administrative infrastructure, systems, procedures and controls will be adequate to support Jasper's operations or that Jasper's officers and personnel will be able to manage any significant expansion of operations. If Jasper is unable to manage growth effectively, Jasper's business, operating results and financial condition will be materially adversely affected.

Personnel Resources
Jasper is (and will continue to be) reliant upon its management and technical personnel in all aspects of its business, including to anticipate and address consumer demands in areas such as software development, customer service, marketing, finance, strategic planning and management. There can be no assurance that qualified management or technical personnel will be available to Jasper in the future. The loss of services of any of the Company's management or technical personnel could have a material adverse effect on its business, results of operations and financial condition.

Potential Fluctuations in Quarterly Operating Results
Jasper expects to be exposed to significant fluctuations in quarterly operating results caused by many factors, including: changes in the demand for and or usage of the Company's applications, the introduction of competing technologies, market acceptance of enhancements to the Company's applications, delays in the introduction of enhancements to the Company's applications, changes in Jasper's pricing policies or those of its competitors, the mix of solutions and services sold, foreign currency exchange rates and general economic conditions. Such fluctuations could have a material adverse effect on Jasper's business, results of operations and financial condition.

Risk of Industry Consolidation
Jasper may have established working relationships that are undermined by a business combination or other transaction with another business in the marketplace. This could have a material adverse effect on Jasper's business, results of operations and financial conditions.

Government Regulation
The marketplace within which Jasper operates is in constant flux in relation to government regulation. Areas being regulated include regulation relating to online payments, privacy, restricted category (or class) of goods for resale, consumer protection laws, and opt-in requirements for mobile applications. Regulation is also being considered for use and application of consumer demographic information for mobile advertising purposes and other areas impacting on mobile advertising. The consequences of such regulation or changes to such regulation could have a material adverse effect on Jasper’s business, results of operations and financial condition.

OUTSTANDING SHARE DATA

Jasper’s outstanding share capital consists of common shares. The Company is authorized to issue an unlimited number of common shares. On April 30, 2024, the Company had 58,079,619 (July 31, 2023 – 58,079,619) common shares outstanding.

On April 30, 2024, Jasper had 26,266,583 (July 31, 2023 – 31,796,781) share purchase warrants outstanding with an approximate weighted average exercise price of $0.18. The Company issued 2,194,500 warrants as part of a convertible debenture unit offering, offset by 7,724,698 warrants that expired.

On April 30, 2024, Jasper had 3,983,192 (July 31, 2023 – 5,099,964) stock options outstanding with an approximate weighted average exercise price of $0.11 per share. The Company granted 2,450,000 stock options to employees on December 22, 2023, offset by 3,566,772 stock options that expired, were cancelled, or forfeited by departing staff.

RELATED PARTY TRANSACTIONS

An officer participated in the December 21, 2023 private placement of convertible debenture units. Of the $115,500 convertible debenture capital raise, $10,500 came from the officer.

KEY MANAGEMENT COMPENSATION

Nine months ended April 30,	**2024**	2023
Salaries	**$ 216,750**	$ 295,307
Stock-based compensation	**8,063**	34,587
	$ 224,813	$ 329,894

Key management includes the senior officers of the Company and directors.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company’s unaudited interim condensed consolidated financial statements for the nine (9) months ended April 30, 2024, were prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("**IASB**"). Please refer to Note 2 of the Company's financial statements for a detailed discussion regarding the significant accounting policies relied upon in the preparation of the financial statements, the application of critical estimates and judgements in the preparation of the financial statements and recent accounting pronouncements.