PEAK POSITIONING TECHNOLOGIES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis, (MD&A) provides Management's point of view on the financial position and results of operations of Peak Positioning Technologies Inc., on a consolidated basis, for the three and nine-month periods ended September 30, 2018 (Fiscal 2018) and September 30, 2017 (Fiscal 2017).

Unless otherwise indicated or unless the context requires otherwise, all references in this MD&A to "Peak", the "Company", the "Corporation", "we", "us", "our" or similar terms refer to Peak Positioning Technologies Inc. and its subsidiary Peak Positioning Corporation on a consolidated basis. This MD&A is dated November 16, 2018 and should be read in conjunction with the Audited Consolidated Financial Statements and the notes thereto for the year ended December 31, 2017. Unless specified otherwise, all amounts are in Canadian dollars.

The financial information contained in this MD&A relating to the unaudited interim Consolidated Financial statements for the three-month periods ended September 30, 2018, and September 30, 2017, has been prepared in accordance with International Financial Reporting Standards, (IFRS).

The unaudited interim consolidated financial statements and MD&A have been reviewed by our Audit Committee and approved by our Board of Directors as at November 16, 2018.

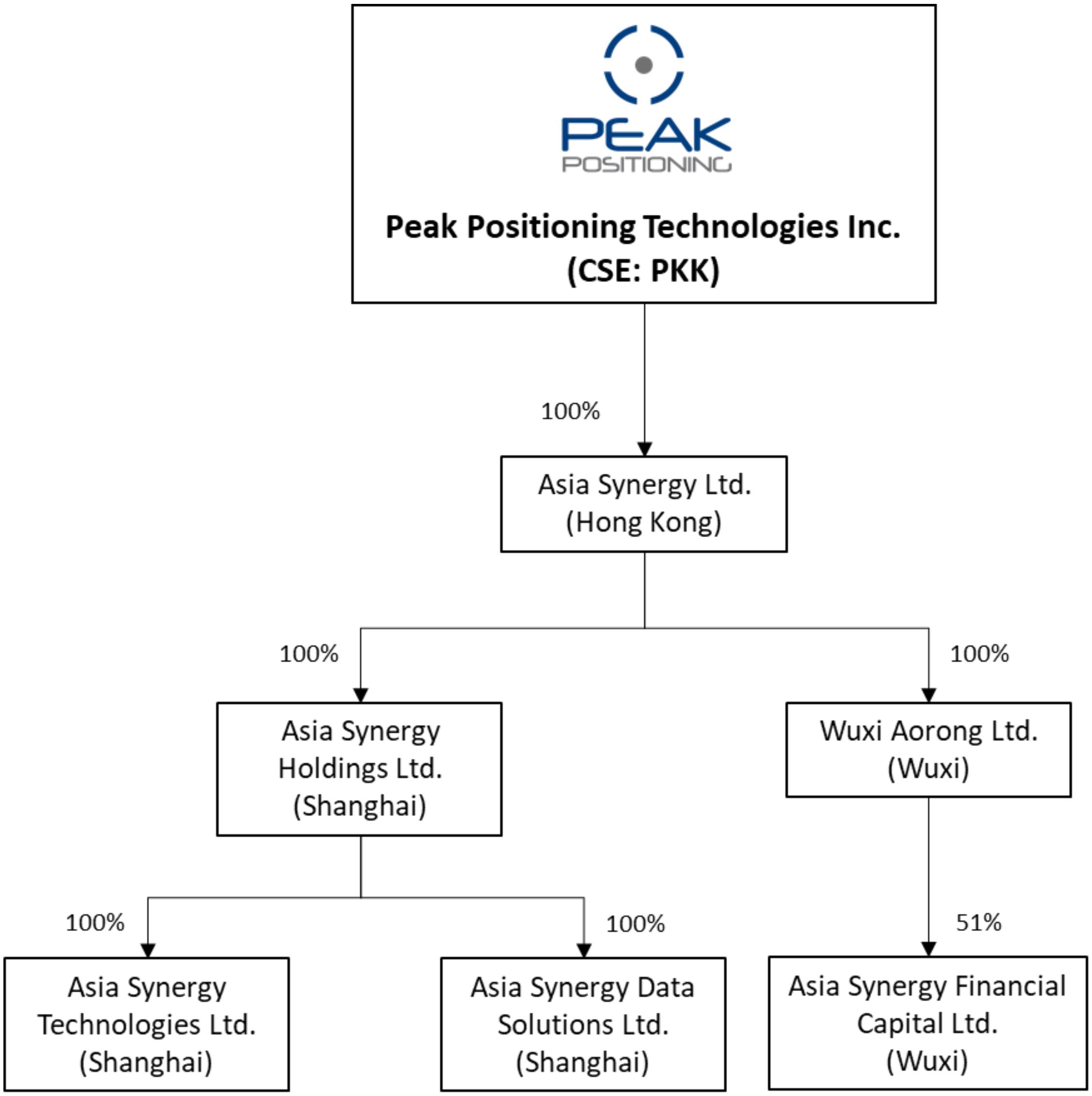
Forward looking information

Certain statements contained in this MD&A may constitute forward-looking information, which can generally be identified as such because of the context of the statements including words such as believes, anticipates, expects, plans, estimates, or words of similar nature. The forward-looking statements are based on current expectations and are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results. We refer potential investors to the "Risks and Uncertainties" section of this MD&A. The reader is cautioned to consider these and other risks and uncertainties carefully and not to put undue reliance on forward-looking information. Forward-looking information reflects current expectations regarding future events and speaks only as of the date of this MD&A and represents the Company's expectations as of that date.

The Company undertakes no obligation to update or revise the information contained in this MD&A, whether as a result of new information, future events or circumstances or otherwise, except as may be required by applicable law.

Structure

The following chart summarizes the corporate structure of the Company.



Business Overview

Peak (CSE: PKK) (PINK SHEETS: PKKFF), is an IT portfolio management company whose mission is to assemble, finance and manage a portfolio of promising companies and assets in some of the fastest growing tech sectors in China, including fintech, e-commerce and cloud-computing. Peak provides a bridge for North American Investors who wish to participate in the continued digitization of China's industrial sectors through the latest advancements in technology.

Operating Highlights for the Quarter

The Company's financial services subsidiary, Asia Synergy Financial Capital ("ASFC"), continued to build in Q3 on the momentum started in Q2. ASFC not only continued to provide the Company with a steady revenue stream, but also managed to command a higher average interest rate on its loans during the quarter, which translated to better than expected revenue in Q3.

With ASFC having firmly established its commercial lending activities, the Company turned its focus during the quarter on helping its Asia Synergy Data Solutions ("ASDS") subsidiary make inroads to bring more clients, lenders and transactions to the Cubeler commercial lending platform. Several enhancements were made to the platform, including 1) the addition of a data validation feature involving non-related party suppliers to give added confidence in the integrity of the platform's data; and 2) support for popular payment gateways Alipay and WeChat Pay to give platform borrowers more loan repayment options. In addition to the enhancements completed during the quarter, ASDS began the development of modules and interfaces to make the platform more user-friendly for lenders and loan brokers. Once completed, these new modules will allow loan brokers to automate the process of transferring client data from their systems to Cubeler to help qualify them for loans from the platform's registered lenders. Lenders will also be able to use the new features to obtain detailed customized credit reports on the owners of qualified SMEs before final approval of any loans offered to the SMEs for which they have submitted an application.

Also of significance during the quarter were the first transactions on the Cubeler platform between parties unrelated to the Company or any of its subsidiaries. The transactions provided a preview of the ASDS business model where lenders, with no relation to ASDS (as opposed to ASFC), are matched with borrowers on Cubeler and pay ASDS a service fee for having facilitated loan transactions between these lenders and borrowers.

The stability and predictability of ASFC's revenue coupled with better visibility into ASDS' future revenue prospects, as a result of the validation of its revenue model, led to the Company wrapping up the quarter by releasing its consolidated financial forecasts through the end of 2021.

Outlook for Remainder of 2018

Although the revenue generated by ASFC has accounted for over 90% of the Company's revenue through the first three quarters of 2018, the financial forecasts published by the Company indicate that ASDS is expected to eventually become its largest revenue contributor. ASDS' revenue is forecasted to represent 51% of the Company's total revenue in 2019, 77% in 2020 and 87% in 20121. As there is still work to be done for ASDS to reach its full potential and begin to significantly contribute to the Company's revenue and bottom line, "All Eyes on ASDS" will be the theme for the Company for the last quarter in 2018. ASDS will look to work with lenders currently on Cubeler to accelerate the pace of transactions and potentially add new lenders to the platform prior to the end of the quarter to increase its overall lending capacity. Some efforts will also be put forth to begin to work with loan brokers to improve the quality of loan prospects brought to the platform.

Virtually inactive so far in 2018, the Company expects its Asia Synergy Technologies ("AST") subsidiary to become more active in the fourth quarter of 2018. As of the date of this MD&A, AST was in discussions with potential business partners and clients that would allow for activities to once again take place on the Gold River product procurement platform prior to the end of 2018.

So in summary, the Company's outlook for the balance of 2018 is for ASFC to continue to provide revenue stability as it has since its debut in Q2 2018, for ASDS to provide an indication that it's on the right path to becoming the centerpiece of the Company's remarkable growth potential and for AST to slowly resume its role of rounding out the Company's service offering.

Selected Quarterly Information

	September 30, 2018 Three months	September 30, 2017 Three months	September 30, 2018 Nine months	September 30, 2017 Nine months
Revenues	$ 709,739	$ 3,968	$ 939,496	$ 7,473,790
Expense before interest, taxes, depreciation and amortization	$ 945,290	$ 1,132,463	$ 2,430,326	$ 10,152,295
EBITDA	$ (235,552)	$ (1,128,495)	$ (1,490,829)	$ (2,678,505)
Interest, depreciation, amortization and taxes	$ 390,146	$ 5,184	$ 1,162,530	$ 41,404
Net loss	$ (625,698)	$ (1,133,680)	$ (2,653,359)	$ (2,719,909)
Net (loss) profit attributable to:				
Non-controlling interest	$ 144,324	$ -	$ 219,055	$ -
Owners of the parent	$ (770,022)	$ (1,133,680)	$ (2,872,414)	$ (2,719,909)
Basic and diluted loss per share	$ (0.001)	$ (0.002)	$ (0.004)	$ (0.006)

	September 30, 2018	December 31, 2017
Total assets	$ 23,523,673	$ 15,740,382
Total Liabilities	$ 4,165,676	$ 4,553,365
Long-term liabilities	$ 3,226,505	$ 4,263,913
Total Equity	$ 19,357,997	$ 11,187,017
Non-controlling interest	$ 9,439,833	-
Owners of parent	$ 9,918,165	$ 11,187,017

Results of Operations

<u>Revenues</u>

The Company generated $709,739 in revenue in the third quarter of 2018 almost exclusively from ASFC's first full quarter of operation. The revenue came in the form of interest earned on loans extended to 1,053 Chinese small and medium-sized business owners totalling a combined $19.2M during the quarter. The loans yielded an effective average annual interest rate of 15.4% with an average maturity of 15.6 months during the 3 months period ended September 30, 2018. On a cumulative basis, the Company generated $939,496 in revenue for the nine-month period ended September 30, 2018 compared to $7,473,790 for the nine-month period ended September 30, 2017. It should be noted that revenue for the nine-month period ended September 30, 2017 was generated from the sale of low-margin raw materials by the Company's AST subsidiary. The Company has since adjusted its business model and has suspended AST activities related to the trading of low-margin raw materials, which explains the considerable discrepancy between revenues reported for the comparable periods of 2018 and 2017.

Operating expenses

The following schedule summarizes the operating expenses:

	September 30, 2018 (3 months)	**September 30, 2017 (3 months)**	**September 30, 2018 (9 months)**	**September 30, 2017 (9 months)**
	$	**$**	**$**	**$**
Costs of materials	-	-	-	7,432,747
Salaries and fringe benefits	220,620	203,827	667,139	489,472
Service fees	144,049	-	144,049	-
Board remuneration	35,521	66,183	102,227	111,966
Sales taxes and additions	2,269	(200)	10,798	4,478
Consulting fees	132,501	221,665	336,172	539,578
Management fees	55,526	82,746	165,536	173,541
Administrative and indirect cost	89,623	-	89,623	-
Professional fees	50,507	32,156	189,233	242,262
Public relations and press releases	85,234	50,367	339,358	102,994
Office supplies, software and utilities	36,276	68,797	74,648	98,059
Rental expenses	13,693	73,331	30,717	96,035
Insurance	7,354	28,857	17,235	41,342
Finance costs	188,428	1,581	606,074	36,581
Interface development cost	(657)	54,699	16,896	54,699
Other	8,722	*178*	*8,548*	*382*
Travel and entertainment	68,169	30,580	173,052	149,409
Stock exchange and transfer agent costs	14,410	30,342	53,795	44,628
Depreciation of property and equipment	2,182	28	3,085	67

Amortization of intangible assets	140,717	191,912	427,496	575,737
Loss (gain) on foreign exchange	(18,525)	-	2,579	-
Total expenses	**1,276,619**	**1,137,647**	**3,466,980**	**10,194,079**

Three Months Ended September 30, 2018

Salaries and fringe benefits amounted to $220,620 for the third quarter of 2018 (compared to $203,827 for the same period in 2017). Except for the Company's CEO and CFO, all salaries are paid out to employees working out of the Company's subsidiaries' offices in China. Within this caption is also included all share-based remuneration, which amounted to $75,485 for the third quarter of 2018 compared to $134,013 for the corresponding quarter in 2017. The Company hired a new salaried financial controller in April 2018 to help manage its Chinese operations. The Company's former CFO was retained to provide management consulting services on a part-time basis, for which the remuneration paid is included under management fees.

Service fees of $144,029 in the period, compared to none for the corresponding period of 2017, relate to services rendered by a third party to the Company's ASFC subsidiary for business development purposes and to help ASFC establish and implement a sound credit evaluation and credit application processing system as well as an efficient post-transaction management system.

Board remuneration refers to share-based remuneration received by members of the Company's board of directors and amounted to $35,521 in the third quarter of 2018 compared to $64,845 for the same period last year.

The consulting fees of $132,501 for the quarter ending September 30, 2018 ($221,665 for the same quarter of 2017), include an amount of $12,815 ($15,480 for the same period in 2017) representing share-based remuneration to consultants in China and Canada, $98,086 for consulting and business development in China ($87,410 in 2017) and $19,850 of technical support and marketing consultation services ($90,000 in 2017). Note that the 2017 third quarter technical support and marketing service fees were rendered by a related Company for the Cubeler platform. The rest of consulting fees of $1,750 ($25,812 in 2017) relate to services rendered by consultants for the day-to-day accounting and management of the Company's operations.

Management fees related to services rendered to the Company in Canada and China amounting to $55,526 were incurred in the third quarter of 2018 (compared to $82,746 for the same period of 2017). The decrease in management fees is attributed to a reduction in the number of hours for which management consulting services were used due to the arrival of a new full-time salaried employee to the Company's management team. The share-based portion of the management fees amounted to $32,460 in 2018 compared to $53,408 for the same period of 2017.

Administrative and indirect cost of $89,623 in the third quarter of 2018 ($0 in 2017) are related to administrative salary, support expenses and other indirect costs for the Company's ASFC subsidiary in China.

Professional fees such as audit fees, legal fees and quarterly accounting costs totalled $50,507 for the three-month period ended September 30, 2018 (compared to $32,156 for the three-month period ended September 30, 2017). The difference is mainly due to expense recognition timing differences between the two compared periods.

Public relations expenses amounted to $80,137 for the third quarter of 2018 (compared to $50,367 for the same period of 2017). The increase is due primarily to concerted efforts made by the

Company to promote itself as an attractive long-term investment vehicle to Canadian investors by entering into agreements with third-party investor awareness and promotional companies.

Rental expenses amounted to $13,693 in the third quarter of 2018 and represented the rent expense incurred by the Company at its Head Office in Montreal and by its operating subsidiaries in China (compared to $73,331 for the same period of 2017). The Company's Wuxi based subsidiaries received rent subsidies from the Jiangsu provincial government and were reimbursed all of the rent paid during the period for having established new entities in the province.

Finance costs include interest charges and accretion of debentures. Those costs amounted to $80,333 and $108,088 respectively for the three-month period ended September 30, 2018, following the issuance of debentures in December of 2017, compared to $1,581 for the same three-month period of 2017.

Interface development cost amounted to -$657 in the third quarter of 2018 ($54,699 in 2017). This comes as a result of the Company's decision to capitalize its development costs related to the Cubeler commercial lending platform during the quarter.

Travel and entertainment expenses amounted to $68,169 for the third quarter of 2018 compared to $30,580 for the same period in 2017. The increase is mainly attributable to travel expenses incurred by the Company's Chinese management related to business development initiatives and operations.

Amortization of the Gold River platform, which was acquired in 2016, amounted to $132,494 for the three-month period ended September 30, 2018, compared to $191,192 for the same period in 2017. The decrease is due to a reduction in the development efforts required to adjust the product procurement platform than was originally estimated.

The Company reported a currency translation adjustment loss of $603,256 in the third quarter of 2018 (compared to a gain of $250,333 for the same period in 2017) reflecting the depreciation of the Chinese renminbi (the Company's functional currency due to its Chinese subsidiaries) against the Canadian dollar during the period. This adjustment only represents a theoretical loss that would only be realized in the event of a material transaction involving the underlying assets to which the loss is attributed, in this case the Company's subsidiaries, such as if the assets were disposed of.

Nine Months Ended September 30, 2018

Cost of materials for the nine-month period ending September 30, 2017 amounted to $7,432,747 relate to the cost of acquisition of the material sold by AST during the period. Given that no such transactions took place in the first nine months of 2018, there were no such costs for the reporting period.

Salaries and fringe benefits amounted to $667,139 for the first nine months of 2018 (compared to $489,472 for the same period in 2017). Except for the Company's CEO and CFO, all salaries are paid out to employees working out of the Company's subsidiaries' offices in China. Within this caption is also included all share-based remuneration, which amounted to $219,368 for the first three quarters of 2018 compared to $291,322 for the corresponding period in 2017. The Company hired a new salaried financial controller to help manage its Chinese operations in April 2018. The Company's former CFO was retained to provide management consulting services on a part-time basis. The remuneration for those services is presented under management fees.

Service fees of $144,029 for the period ending September 30, 2018, compared to none for the corresponding period of 2017, relate to the service rendered by a third party to the Company's ASFC subsidiary for business development purposes and to help ASFC establish and implement a sound credit evaluation and credit application processing system as well as an efficient post-transaction management system.

Board remuneration corresponds to the share-based remuneration received by the Company's board members calculated at the fair market value of the stock options granted. For the nine-month period ended September 30, 2018, share-based remuneration amounted to $102,227 compared to $117,445 for the same period in 2017.

The consulting fees of $336,172 for the nine-month period ended September 30, 2018, include an amount of $25,545 ($20,640 for the same period in 2017), which represents share-based remuneration paid to consultants in both China and Canada, $122,202 for consulting and business development in China ($218,526 in 2017) and $138,180 of technical support and marketing consulting services ($210,000 in 2017). It should be noted that for the nine-month periods ended September 30, 2018 and September 30, 2017, technical support and marketing service were rendered by a related company for the Cubeler platform and amounted to $43,680 in 2018 and $210,000 in 2017. The rest of consulting fees of $50,245 ($90,413 in 2017) relate to services rendered by consultants for the day-to-day accounting and management of the Company's operations.

Management fees related to services rendered to the Company in Canada and China amounting to $165,536 were incurred in the first three quarters of 2018 (compared to $173,541 for the same period of 2017). The share-based portion of the management fees amounted to $88,462 in 2018 compared to $98,054 for the same period of 2017.

Administrative and indirect costs of $89,623 for the first three quarters of 2018 ($0 in 2017) are related to administrative salary, support expenses and other indirect costs for the Company's ASFC subsidiary in China.

Professional fees such as audit fees, legal fees and quarterly accounting costs totalled $189,233 for the nine-month period ended September 30, 2018 (September 30, 2017: $242,262). The reduction is mainly attributed to expense recognition timing differences between the two periods compared and the hiring of a new finance manager for the Company's Chinese operations resulting in lower external accounting costs.

Public relations expenses amounted to $324,854 for the nine-month period ended September 30, 2018 (compared to $102,994 for the same period of 2017). The increase is due primarily to concerted efforts made by the Company to promote itself as an attractive long-term investment vehicle to Canadian investors by entering into agreements with third-party investor awareness and promotional companies.

Rental expenses amounted to $30,717 in the first three quarter of 2018 and represented the rent expense incurred by the Company at its Head Office in Montreal and by its operating subsidiaries in China (compared to $96,035 for the same period of 2017). The Company's Wuxi based subsidiaries received rent subsidies from the Jiangsu provincial government and were reimbursed all of the rent paid during the period for having established new entities in the province.

Finance costs include interest charges on promissory notes, debentures and accretion of debentures, reduced by interest revenue from short-term deposits. Those costs amounted to $606,074 for the nine-month period ended September 30, 2018 (September 30, 2017: $36,581). This increase in finance cost is attributed to the issuance of a debenture in the last quarter of 2017.

For the nine-month period ended September 30, 2018 the Company incurred $173,052 in travel expenses (compared to $149,409 for the same period of 2017).

Amortization of the Gold River technology platform, which was acquired in 2016, amounted to $398,339 for the nine-month period ended September 30, 2017 ($575,737 in 2017). The decrease is due to a reduction in the development efforts required to adjust the product procurement platform than was originally estimated.

The Company reported a currency translation adjustment loss of $694,051 in the first three quarters of 2018 (compared to a gain of $143,076 for the same period in 2017) reflecting the depreciation of the Chinese Renminbi (the Company's functional currency due to its Chinese subsidiaries) against the Canadian dollar during the period. This adjustment only represents a theoretical loss that would only be realized in the event of a material transaction involving the underlying assets to which the loss is attributed, in this case the Company's subsidiaries, such as if the assets were disposed of.

Net Results

The Company incurred a net loss of $625,698 in the third quarter of 2018 (compared to a net loss of $1,133,680 for the same period of 2017). The net loss for the nine-month period ended September 30, 2018 amounts to $2,653,359 compared to a net loss of $2,719,909 for the same period of 2017.

Summary of Quarterly Results

	September 30, 2018	September 30, 2017	June 30, 2018	June 30, 2017
	Three months	Three months	Three months	Three months
Revenues	$ 709,739	$ 3,958	$ 224,611	$ 144,823
Expenses	$ 1,276,619	$ 1,137,647	$ 1,129,448	$ 1,046,147
Net Loss[1]	$ (625,698)	$ (1,133,680)	$ (971,895)	$ (901,324)
Currency translation adjustment	$ (603,256)	$ 250,333	$ 4,161	$ (82,946)
Total comprehensive loss	$ (1,228,954)	$ (883,346)	$ (967,734)	$ (984,270)
Earnings per Share (2)	$ (0.001)	$ (0.002)	$ (0.001)	$ (0.002)

	March 31, 2018	March 31, 2017	December 31, 2017	December 31, 2016
	Three months	Three months	Three months	Three months
Revenues	$ 5,147	$ 7,324,999	$ 1,622	$ 32,204,815
Expenses	$ 1,060,915	$ 8,010,434	$ 737,933	$ 33,562,649
Net Loss[1]	$ (1,155,768)	$ (685,435)	$ (736,321)	$ (1,357,237)
Currency translation adjustment	$ (94,956)	$ 24,312	$ 78,003	$ (598)
Total comprehensive loss	$ (1,150,724)	$ (661,123)	$ (658,318)	$ (1,357,835)
Earnings per Share (2)	$ (0.002)	$ (0.002)	$ (0.002)	$ (0.003)

Note (1): Including income tax expenses

Note (2): Earnings per share is calculated using the net loss and the weighted average number of outstanding shares.

Operations

ASFC continues to be the primary contributor of the Company's revenue, accounting for more than 90% of total revenue for the quarter. More efforts were made during the quarter to accelerate the pace of transactions on the Cubeler platform, and set up ASDS to become an increasingly greater contributor to the Company's revenue stream. Those efforts began paying dividends as they led to the first transactions on Cubeler between parties unrelated to the Company. For six (6) quarters in a row, AST made no contributions to the Company's revenue during the quarter. However, that trend is expected to come to an end in Q4 2018 as activity on the Gold River platform is expected to resume by the end of 2018.

Liquidity

The level of revenue currently being generated by the Company is not presently sufficient to meet its working capital requirements. Until that happens, the Company will continue to use financing means to help meet its financial obligations. As of November 16, 2018, the Company's liquidity stood at approximately $225,000. ASFC's operations are expected to continue to have a positive effect on the Company's cash-flow and its future cash requirements. Future revenue from ASDS and AST is expected to have a similar impact on the Company and eventually combine to meet the Company's working capital needs. However, until that happens, the Company will continue to assess its working capital needs and undertake whatever initiative it deems necessary to ensure that it continues to be in a position to meet its financial obligations. In the opinion of management, the Company's current cash position and its access to additional capital will be sufficient to meet its current obligations and allow it to continue as a going concern for the next 12 months.

Financing

In January 2018, the Company closed a private placement financing consisting in the sale of 5,000,000 common shares at a price of $0.05 per share for gross proceeds of $250,000 and issued 1,500,000 common shares as a finder's fee to eligible persons related to a series of private placements conducted in October and December 2017.

Between January 1, 2018, and September 30, 2018, $1,800,000 of secured debentures was surrendered to exercise share purchase warrants at a price of $0.05 per share pursuant to the private placement closed in December 2017. The Company therefore issued 36,000,000 common shares at a price of $0.05 per share to the debenture holders. The total debenture amount outstanding was reduced by that same amount as a result of the transactions.

Between March and September, 2018, the Company issued 2,983,080 common shares to settle $146,654 of debt related to consulting and marketing services received by the Company.

Capital Stock

The Company's capital stock as of September 30, 2018, was $22,759,673 compared to $20,550,873 as of December 31, 2017. The variation is explained by the common shares issued in connection with a private placement financing for net proceeds of $230,000, common shares issued in lieu of cash payments totalling $221,654, common shares issued as a result of the surrender of debentures to exercise warrants for face value of $1,800,000, reduced by issuance cost of $65,658 related to the fair market value of warrants issued to a consultant.

Common Shares

As of November 16, 2018, the Company had 675,142,135 common shares outstanding. The following table summarizes the changes in shares outstanding from January 1, 2011, until November 16, 2018.

Date	Description	Number	Cumulative number
Dec 31, 2010	Outstanding as of December 31, 2010	10,000,000	10,000,000

February 8, 2011	Acquisition of Peak Corp	30,000,000	40,000,000
2011	Issuance 2011	27,481,335	67,481,335
2012	Issuance 2012	11,325,800	78,807,135
2013	Issuance 2013	9,831,834	88,638,969
2014	Issuance 2014	43,747,920	132,386,889
2015	Issuance 2015	60,212,625	192,599,514
2016	Issuance 2016	227,319,050	419,918,564
January 2017	Exercise of Warrants	30,000	419,948,564
February 2017	Conversion Debenture	2,882,440	422,831,004
February 2017	Exercise of Warrants	870,000	423,701,004
March 2017	Exercise of Warrants	9,053,150	432,754,154
March 2017	Private Placement	1,533,666	434,287,820
April 2017	Exercise of Options	900,000	435,187,820
April 2017	Exercise of Warrants	4,155,000	439,342,820
May 2017	Exercise of Warrants	7,800,000	447,142,820
June 2017	Exercise of Warrants	400,000	447,542,820
June 2017	Exercise of Options	150,000	447,692,820
June 2017	Conversion Debenture	2,120,320	449,813,140
August 2017	Private Placement	9,133,333	458,946,473
August 2017	Shares for debt	1,372,632	460,319,105
September 2017	Private Placement	3,000,000	463,319,105
October 2017	Private Placement	2,000,000	465,319,105
October 2017	Exercise of Warrants	2,088,400	467,407,505
November 2017	Exercise of Warrants	5,051,550	472,459,055
December 2017	Private Placement	5,000,000	477,459,055
December 2017	Shares for debt	950,000	478,409,055
December 2017	Exercise of Warrants	4,250,000	482,659,055
December 2017	Surrender of Debenture	127,000,000	609,659,055
December 2017	Private Placement	20,000,000	629,659,055
January 2018	Private placement	5,000,000	634,659,055
January 2018	Shares for debt	1,500,000	636,159,055
February 2018	Surrender of Debenture	20,000,000	656,159,055
March 2018	Shares for debt	600,000	656,759,055
April 2018	Surrender of Debenture	1,000,000	657,759,055
May 2018	Shares for debt	400,000	658,159,055
June 2018	Surrender of Debenture	10,000,000	668,159,055
July 2018	Shares for debt	700,000	668,859,055
July 2018	Shares for debt	250,000	669,109,055
July 2018	Shares for debt	640,000	669,749,055
August 2018	Shares for debt	393,080	670,142,135
August 2018	Surrender of Debenture	5,000,000	675,142,135
Total		675,142,135	

Share Purchase Options

As of November 16, 2018, the Company had 41,900,000 common share purchase options outstanding. The following table summarizes the options outstanding as of November 16, 2018.

Date of grant	Optionee	Number	Exercise Price	Expiration
May 2015	Employees	2,000,000	$0.05	May 2020
May 2015	Board members	750,000	$0.05	May 2020
May 2015	Investor relation consultants	1,000,000	$0.05	May 2020
May 2015	Consultants	550,000	$0.05	May 2020
September 2015	Consultants	500,000	$0.05	September 2020
November 2015	Employees	2,000,000	$0.05	November 2020
November 2015	Board members	600,000	$0.05	November 2020
December 2015	Consultant	2,500,000	$0.05	December 2020
May 2016	Consultant	150,000	$0.05	May 2021
July 2016	Board members and officers	10,500,000	$0.085	July 2021
June 2017	Consultant	350,000	$0.105	June 2022
June 2017	Board members and officers	7,950,000	$.105	June 2022
November 2017	Officer	375,000	$0.055	November 2022
December 2017	Board members and officers	5,000,000	$0.08	December 2022
April 2018	Employee	100,000	$0.05	April 2023
June 2018	Board members and officers	7,175,000	$0.05	June 2023
June 2018	Consultants	400,000	$0.05	June 2023
	Total outstanding	41,900,000		

Share Purchase Warrants

As of November 16, 2018, the Company had 111,673,692 common share purchase warrants outstanding. The following table summarizes the changes in warrants outstanding as of November 16, 2018:

Date	Description	Number	Exercise Price	Expiration
June 2016	Warrants issued to subscribers in connection with private placement	199,000,000	$ 0.050	June 2018
Fiscal year 2017	Exercise of Warrants	(1,000,000)	$ 0.050	N/A
December 2017	Transfer to debenture holders and extension	(198,000,000)	$ 0.050	N/A
March 2017	Warrants issued to subscribers in connection with private placement	1,640,359	$ 0.200	March 2019
June 2017	Warrants issued to subscribers in connection with private placement	14,000,000	$ 0.120	June 2022
August 2017	Warrants issued to subscribers in connection with private placement	3,333,333	$ 0.061	June 2022
August 2017	Warrants issued to subscribers in connection with private placement	5,800,000	$ 0.0567	June 2022
December 2017	Warrants transferred to debenture holders	191,000,000	$ 0.050	December 2019
December 2017	Extension of warrants	7,000,000	$ 0.050	December 2019
December 2017	Warrants issued to debenture holders	49,000,000	$ 0.050	December 2019
December 2017	Exercise of warrants to surrender the debentures	(127,000,000)	$ 0.050	N/A
January 2018	Exercise of warrants to surrender the debentures	(20,000,000)	$ 0.050	N/A
April 2018	Exercise of warrants to surrender the debentures	(1,000,000)	$ 0.050	N/A
May 2018	Warrants issued to subscribers in connection with private placement	2,900,000	$ 0.100	May 2020
June 2018	Exercise of warrants to surrender the debentures	(10,000,000)	$ 0.050	N/A
August 2018	Exercise of warrants to surrender the debentures	(5,000,000)	$ 0.050	N/A
Total		**111,673,692**		

Debentures

As of August 16, 2018, the Company had debentures outstanding as described in the notes to the interim consolidated financial statements for the nine-month ended September 30, 2018.

Escrowed shares

As of November 16, 2018, the Company had no escrowed shares.

Related Party Transactions

During the three-month period ended September 30, 2018, the Company incurred management fees of $7,250 as remuneration to a company held by a director (three-month period ended September 30, 2017: $36,525). Management fees for the nine-month period ended September 30, 2018, amount to $61,258 (Nine-month period ended September 30, 2017: $85,950).

During the three-month period ended September 30, 2018, salaries paid to officers and directors amounted to $92,039 (three-month period ended September 30, 2017: $62,422). Salaries paid to officers and directors totalled $284,645 for the nine-month period ended September 30, 2018 (nine-month period ended September 30, 2017: $176,485).

During the three-month period ended September 30, 2018, share-based payments associated with salaries and management fees amounted to $142,581 compared to $252,267 for the same period of 2017. Share-based remuneration for the nine-month period ended September 30, 2018, amounted to $408,580 compared to $506,545 for the same period last year.

During the three-month period ended September 30, 2018, the company incurred interest expense on promissory notes and debentures from officers and directors of $200 (three-month period ended September 30, 2017: $1,825). For the nine-month period ended September 30, 2018, interest expense on promissory notes and debentures from officers and directors amounted to $600 (nine-month period ended September 30, 2017: $10,776)

During the nine-month period ended September 30, 2018, the Company incurred $43,680 in technical and marketing support expenses from a related company in connection with the Cubeler platform, compared to $210,000 for the same period in 2017.

Off-Balance-Sheet Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

Accounting policies

The principal IFRS accounting policies set out in note 1.1 to the Consolidated Financial Statements have been consistently applied to all periods presented in such financial statements.

Legal proceedings

As of November 16, 2018, there were no legal proceedings against the Company.

Financial Instruments

The Company has classified its financial instruments as described in the note 3.3.1 of the Interim Consolidated Statements for the period ending September 30, 2018. The Company is exposed to various risks as described in the note 19.3 of the Consolidated Financial Statements as of December 31, 2017.

RISKS AND UNCERTAINTIES

Risk factors that may adversely affect or prevent the Corporation from carrying out all or portions of its business strategy are discussed in the Corporation's Filing Statement dated January 6, 2011, available on SEDAR at www.sedar.com. Other risks include:

Liquidity Risk

The Company has no history of operations and is in the early stage of development and has not received significant revenues. As such, it is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personal, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Additional Financing

The Company may require additional financing in order to repay its creditors or other debts, make further acquisitions, investments or take advantage of unanticipated opportunities. The ability of the Company to arrange such financing in the future will depend upon prevailing capital market conditions, and the business success of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on satisfactory terms. If additional financing is raised by the issuance of shares from the treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

Patents

As of the date of this MD&A, the Company had no patents granted or pending. It should be noted, however, that being granted patent protection on its technology is not a prerequisite to the commercialization of the Company's product offerings, and should have no material impact on the Company's short-term performance.

Foreign Jurisdiction Risks

The Company has made significant investments in the pursuit of business opportunities in China, which exposes it to different considerations and other risks not typically associated with companies in Canada.

FURTHER INFORMATION

Additional information about the Company can be found at www.sedar.com

November 16, 2018

(s) Jean Landreville	***(s) Johnson Joseph***
Jean Landreville, Chief Financial Officer	Johnson Joseph, President & CEO