

CELLBROADCAST GROUP INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED SEPTEMBER 30, 2019

The following is management's discussion and analysis ("MD&A") of the operating and financial results of Cellbroadcast Group Inc. ("Cellbroadcast" or the "Company") for the period ended September 30, 2019, as compared to the period ended September 30, 2018, as well as information and expectations concerning the Company's outlook based on currently available information.

The MD&A should be read in conjunction with the consolidated financial statements as at and for the years ended June 30, 2019 and 2018, prepared in accordance with GAAS (as defined below), together with the accompanying notes, as such financial statements are amended, in addition to the management's discussion and analysis for the year ended June 30, 2019. Additional information is available on SEDAR at www.sedar.com.

All dollar values are expressed in Canadian dollars, unless otherwise indicated, and are prepared in accordance with generally accepted auditing standards ("GAAS").

This MD&A is prepared as of January 16, 2020.

BUSINESS PROFILE AND STRATEGY

Cellbroadcast's head office was located in Calgary, Alberta, Canada but now is in Okotoks, Alberta, Canada. The Company, prior to 2006, was primarily engaged in technology activities in Canada. The Company ran out of money to purchase cell alert technology and continue with the transaction contemplated at that time. The Company's securities were cease traded on November 2, 2006 by way of a Cease Trade Order issued by the Alberta Securities Commission for failure to file year end audited financials as required for the year ended June 30, 2006. It has remained dormant since that time.

The Company is a venture issuer under the definition under applicable securities laws and is without significant revenue from operations, as the Company does not currently have any operations and has not had any operations for a considerable amount of time. The Company was largely dormant from 2006 until recently but has recently decided to seek a strategic transaction and so is working with the securities regulatory authorities to try and have the cease trade order on the Company's shares lifted in order to allow it to pursue a financing and seek a strategic transaction.

LIQUIDITY AND CAPITAL RESOURCES

The Company's approach to managing liquidity is to try to ensure a balance between expenditure requirements and cash used in by operations and working capital. As at September 30, 2019, the Company had working capital deficit of \$(224,678).

As the Company has no assets capable of generating cash flow, it will use any existing financial resources to fund existing administrative budgets and potential strategic transactions for the foreseeable future. These conditions indicate the existence of a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern as it will be contingent upon the Company's ability to successfully identify and procure necessary capital, which may be by way of strategic transactions to obtain financing and/or generate profitable operations that are beneficial to the Company and its shareholders. Management continues to make deliberate efforts to conserve Company finances while assessing future opportunities. Such efforts have included the elimination of compensation to management and directors as well as the reduction of contracted professional services to those only deemed necessary in the maintenance of the Company.

COMMITMENT SUMMARY UPDATE

The Company does not have any material commitments to disclose.

DISCUSSION OF OPERATING RESULTS

Continuing Operations

The Company's operating expenses remain as continuing operations. Unless specifically noted, all current and comparative reporting periods' financial disclosure and discussion relates to continuing operations.

General and Administrative Expenses

The Company did not have any general and administrative expenses ("G&A") for the period ended September 30, 2019 except for management fees of \$15,750, interest accrued on debt of \$4,027, professional fees of \$2,800 and filing fees of \$750. The increase in G&A is primarily due to expenditures necessary to complete an audit of the financial statements of the Company and related expenses as part of an application to have the cease trade order on the Company's securities revoked in order to allow the Company to source the necessary funds to conduct operations and search for a strategic transaction.

Stock-Based Compensation

For the periods ended September 30, 2019 and 2018, the Company did not record any amount for stock-based compensation. No options were granted during these fiscal years.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The carrying values of the Company's financial instruments, consisting of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities, approximate their fair values due to the short-term maturity of such instruments. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES

The Company does not have any transactions between related parties, except for the issuance of a debenture to a related party of the Company, as described below, which issuance occurred prior to the date of the financial statements referenced in this MD&A and is therefore not disclosed in the financial statements since it precedes the applicable periods covered by the financial statements.

The Company has an amount owing to a director as disclosed in the financial statements for an amount of \$46,351 which is unsecured and has no specific terms of repayment and was non-interest bearing until June 30, 2019, following which interest accrued at a rate of 6% per annum. The Company has also issued a debenture to an entity controlled by this same Director, which was issued during a prior financial period for a principal amount of \$150,000 and is due on demand and bears interest at a rate of 6% per annum with all interest accrued to June 30, 2019 having been waived by the debenture holder. In addition, the Company owes management fees to a company controlled by a director of the Company (Shelley Germann) for services provided to the Company during this period.

PROPOSED TRANSACTIONS

The Company does not have any agreements for any proposed transactions.

SHAREHOLDERS' EQUITY

Common shares

At September 30, 2019, the Company was authorized to issue an unlimited number of Class "A" and "B" voting common shares and an unlimited number of Class C non-voting common shares, all of which are without no par value, with holders of Class "A" and "B" Shares each entitled to one vote per share and to dividends, if and when declared. There are no Class "B" or "C" shares issued and outstanding. Outstanding Class "A" Shares as of September 30, 2019 was 3,842,700 with an issuance cost of \$816,125.

Debenture

During a prior fiscal year, the Company raised \$150,000 under the terms of a debenture. The debenture is due on demand and bears interest at 6% per annum with all interest accrued to June 30, 2019 being waived by the debenture holder, who is a principal of the Company, but with interest accruing from July 1, 2019 onwards.

Stock options

The Company has not adopted a formal stock option plan whereby options can be granted from time to time to directors, officers, employees and consultants at the discretion of the Board of Directors and no options are issued and outstanding as of the date hereof.

USE OF ESTIMATES AND JUDGMENTS

The timely preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Accordingly, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below.

Critical judgments in applying accounting policies

The following are the critical judgments that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in these consolidated financial statements:

i) Identification of cash-generating units

The Company's assets are aggregated into cash-generating units, for the purpose of calculating impairment, based on their ability to generate largely independent cash flows. By their nature, these estimates and assumptions are subject to measurement uncertainty and may impact the carrying value of the Company's assets in future periods.

ii) Impairment of property, plant and equipment

Judgments are required to assess when impairment indicators, or reversal indicators, exist and impairment testing is required. In determining the recoverable amount of assets, in the absence of quoted market prices, impairment tests are based on estimates of future cash flows, future costs, discount rates, market value of land and other relevant assumptions.

iii) Income taxes

Judgments are made by management to determine the likelihood of whether deferred income tax assets at the end of the reporting period will be realized from future taxable earnings. To the extent that assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as the amounts recognized in profit or loss in the period in which the change occurs.

Key sources of estimation uncertainty

The following are the key assumptions concerning the sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing adjustments to the carrying amounts of assets and liabilities, where applicable.

i) Business combinations

In a business combination, management makes estimates of the fair value of assets acquired and liabilities assumed being acquired.

ii) Share-based payments

All equity-settled, share-based awards issued by the Company are recorded at fair value using the Black-Scholes option-pricing model. In assessing the fair value of equity-based compensation, estimates have to be made regarding the expected volatility in share price, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant date.

iii) Tax provisions

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in profit or loss both in the period of change, which would include any impact on cumulative provisions, and in future periods. Deferred tax assets (if any) are recognized only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse.

New standards and interpretations adopted on January 1, 2018

IFRS 9: Financial Instruments

On January 1, 2018, the Company adopted IFRS 9 "Financial Instruments", which includes a principle-based approach for classification and measurement of financial assets and a forward-looking 'expected credit loss' model. IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVOCI"); or fair value through profit or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on 1) the business model in which a financial asset is managed and 2) its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. The classification and measurement of financial instruments under IFRS 9 did not have a material impact on the Company's consolidated financial statements.

Impairment of financial assets under IFRS 9 replaces the "incurred loss" model in IAS 39 with an "expected credit loss" model. The new impairment model applies to financial assets measured at amortized cost, and contract assets and debt investments at FVOCI. Under IFRS 9, credit losses are recognized earlier than under IAS 39. The application of the expected credit loss model to financial assets classified as amortized cost did not result in a material adjustment on transition.

IFRS 9 was applied retrospectively in accordance with transition requirements with no impact to opening retained earnings or comparative periods. Cash and cash equivalents, and trade and other receivables continue to be measured at amortized cost and are now classified as "amortized cost". The Company's financial liabilities previously classified as "other financial liabilities" being trade and other payables and accrued liabilities continue to be

measured at amortized cost and are now classified as “amortized cost”. The Company has not designated any financial instruments as FVOCI or FVTPL, nor does the Company use hedge accounting.

IFRS 15: Revenue from Contracts with Customers

The Company adopted IFRS 15 “Revenue from Contracts with Customers” effective January 1, 2018, which establishes a comprehensive framework for determining whether, how much, and when revenue from contracts with customers is recognized. The Company adopted IFRS 15 using the modified retrospective approach to contracts that were not completed at the date of initial application. Under this transitional provision, the cumulative effect of initially applying IFRS 15 is recognized on the date of initial application as an adjustment to retained earnings. No adjustment to retained earnings was required upon adoption of IFRS 15. The adoption of IFRS 15 did not materially impact the timing or measurement of revenue.

In addition, as a result of this adoption, the Company has revised the description of its accounting policy for revenue recognition. Revenue from contracts with customers is recognized when or as the Company satisfies a performance obligation by transferring a promised good or service to a customer. The amount of revenue recognized is based on the agreed transaction price with any variability in transaction price recognized in the same period. The costs associated with the delivery, including transportation, are recognized in the same period in which the related revenue is earned and recorded.

Future Accounting Pronouncements

The following are new IFRS pronouncements that have been issued, although not yet effective and have not been early adopted, and may have an impact on the financial statements in the future as discussed below.

IFRS 16: Leases

On January 1, 2019, the Company will be required to adopt IFRS 16 “Leases” to replace the existing guidance of IAS 17 “Leases”. The standard establishes principles and disclosures related to the amount, timing and uncertainty of cash flows arising from a lease. The Company does not expect any material impact from the adoption of this standard.

PRINCIPAL BUSINESS RISKS

The Company’s business and results of operations are subject to a number of risks and uncertainties which include, but are not limited to, the following:

Going Concern

The Company has included a “going concern” qualification in the notes to the Company’s unaudited financial statements for the period ended September 30, 2019 (see “Going Concern” under Note 2). Current cash resources of the Company may not be sufficient to continue its business activities. In the event that the Company is unable to raise additional capital and/or attain sufficient revenues from its operations, as to which in each case there can be no assurance, the Company may not be able to continue its operations.

Key Personnel

The Company’s success depends in large part on the ability of its executive management team to deal effectively with complex risks and relationships and execute the Company’s business plan. The members of the management team contribute to the Company’s ability to obtain, generate and manage opportunities. There can be no assurance that the Company’s present key personnel and directors will remain with the Company. The departure of any such key person or director may materially affect the Company’s business, financial condition, results of operations, and the value of the Class A Shares.

Dividends

To date, the Company has not paid regular dividends on its outstanding securities and does not anticipate paying any dividends in the foreseeable future. There are no restrictions in the Company's articles or elsewhere which would prevent the Company from paying dividends. It is not contemplated that any dividends will be paid on the Class A Shares in the immediate future as it is anticipated that all available funds will be invested to finance the growth of the Company's business. The directors of the Company will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Company's earnings, financial position and other conditions at the relevant time. All of the Class A Shares are entitled to an equal share in any dividends declared and paid.

Structure of the Company

From time to time, the Company may take steps to organize its affairs in a manner that minimizes taxes and other expenses payable with respect to the operation of the Company and its subsidiaries. If the manner in which the Company structures its affairs is successfully challenged by a taxation or other authority, the Company and the holders of Class A Shares may be adversely affected.

Management's Report on Internal Control over Financial Reporting

In connection with National Instrument 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company are required to file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52- 109.

Failure to Achieve Listing of the Class A Shares

The Class A Shares are not currently listed for trading on the facilities of any stock exchange, have never been listed on any stock exchange and may never become so listed. The failure of the Company to meet the applicable listing or other requirements of any stock exchange now or in the future may result in the Class A Shares being illiquid and incapable of easily being traded, which is expected to have a material impact on their value and the ability of a shareholder to dispose of such shares. A shareholder may never be able to dispose of their Class A Shares and there is no market upon which to establish a value for such shares and such a market may never exist.

Failure to Develop a Viable Business Plan

The Company does not currently have adequate financing to conduct any significant operations and may never obtain such financing, casting a significant doubt on its ability to continue as a going concern and to generate returns for its shareholders. Even if the Company is able to have the cease trade order which is currently in place on the securities of the Company lifted, there is no guarantee that the Company can commence operations or generate sufficient cash flow to survive and prosper, such failure making the securities of the Company effectively worthless. While the Company does have a business plan to try and commence significant operations in the near future, such plans may not come to fruition, making the business plan unviable.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A offers an assessment of the Company's future plans and operations as of the date hereof and may contain forward-looking information. All statements other than statements of historical fact are forward-looking statements. Such information is generally identified by the use of words such as "anticipate", "continue", "estimate", "expect", "may", "plan", "will", "project", "should", "believe" and similar expressions. All such statements involve

known and unknown risks, uncertainties and assumptions.

Management believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Such forward-looking information included in this MD&A should not be unduly relied upon as the plans, assumptions, intentions or expectations upon which it is based may not occur. Actual results or events may vary from the forward-looking information.

In particular, this MD&A may contain forward-looking information pertaining to the following:

- the potential of the Company's assets,
- the Company's growth strategy and opportunities,
- expectations regarding the ability to raise equity and debt capital on acceptable terms, including the ability to negotiate and complete any agreements contemplated,
- the timing for receipt of regulatory approvals, and
- treatment of the Company under governmental regulatory regimes and tax laws.

The purpose of providing any financial outlook in this MD&A is to illustrate how the business of the Company might develop without the benefit of specific historical financial information. Readers are cautioned that this information may not be appropriate for other purposes.

The forward-looking information herein is based on certain assumptions and analysis by the management of the Company in light of its experience and perception of historical trends, current conditions and expected future developments and other factors that it believes are appropriate and reasonable under the circumstances. The forward-looking information herein is based on a number of assumptions, including but not limited to:

- the availability on acceptable terms of funds for capital expenditures,
- the availability in a cost-efficient manner of equipment and qualified personnel when required,
- the stability of the regulatory framework governing taxes and environmental matters any jurisdiction in which the Company may conduct its business in the future, and
- the impact of increasing competition on the Company.

The actual results, performance and achievements of the Company could differ materially from those anticipated in these forward-looking statements as a result of the risks and uncertainties set forth elsewhere in the MD&A and the following risks and uncertainties:

- global financial conditions,
- general economic, market and business conditions,
- volatility in market prices, the stock market, foreign exchange and interest rates,
- the failure by counterparties to make payments or perform their operational or other obligations to the Company in compliance with the terms of contractual arrangements between the Company and such counterparties,
- risks related to the timing of completion of the Company's projects and plans,
- competition for, among other things, capital, acquisitions of resources, and skilled personnel,
- incorrect assessments of the value of acquisitions,
- claims made in respect of the Company's properties or assets,
- environmental risks and hazards,
- the inaccuracy of third parties' reviews, reports and projections,
- rising costs of labour and equipment,
- the failure to engage or retain key personnel,
- changes in income tax laws or changes in tax laws and incentive programs, and
- other factors discussed under "Principal Business Risks" in this MD&A.

Readers are cautioned that the foregoing lists of assumptions, risks and uncertainties are not exhaustive. The

forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. The forward-looking information speaks only as of the date of this MD&A, and the Company does not undertake any obligation to publicly update or revise any forward-looking information except as required by applicable securities laws.

OUTLOOK

Management continues to evaluate the Company's corporate strategy and to identify and review potential opportunities for the Company's future. Management's primary objective in 2019 is to move the Company forward towards an established future that will result in increased value for shareholders.