

**Glenbriar Technologies Inc.**  
**Management's Discussion and Analysis**  
**For the three months ended June 30, 2019**

**DATE OF REPORT: July 12, 2019**

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the condensed interim financial statements of Glenbriar Technologies Inc. (the "Company" or "Glenbriar") for the period ended June 30, 2019 and related notes attached thereto (the "financial statements"), which are prepared in accordance with International Financial Reporting Standards ("IFRS") and in accordance with International Accounting Standards 34 ("IAS 34") – Interim Financial Reporting. All amounts are expressed in Canadian dollars unless otherwise stated. References to notes are with reference to the condensed interim financial statements. Readers may also want to refer to September 30, 2018 audited financial statements.

This MD&A, may contain forward-looking statements, including statements regarding the business and anticipated future financial performance of the Company, which involve risks and uncertainties. These risks and uncertainties may cause the Company's actual results to differ materially from those contemplated by the forward-looking statements. Factors that might cause or contribute to such differences include, among others, market price, continued availability of capital financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements. Investors are also directed to consider other risks and uncertainties discussed in the Company's required financial statements and filings.

It is the Company's policy that all forward-looking statements, if any, are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements are subject to change, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Forward-looking information or statements contained in this MD&A, may include, but are not limited to, information or statements concerning management's expectations for the Company's ability to raise capital and meet its obligations.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and other factors such as those described above and in "Risks and Uncertainties" below. The Company has no policy for updating forward-looking information beyond the procedures required under applicable securities laws.

**DESCRIPTION OF BUSINESS**

The Company was incorporated in Alberta Corporations Act on July 15, 1994. The Company's common shares are listed on the Canadian Securities Exchange (trading symbol GTLX). The Company's registered address is 734-1055 Dunsmuir Street, British Columbia, Canada.

On June 11, 2017, Uniserve Communications Corporation ("Uniserve") invested \$800,000 for 61.3% ownership of Glenbriar Technologies Inc. These funds were used to retire loans and other financial obligations of Glenbriar.

June 30, 2017, Uniserve acquired an additional 20% of the issued and outstanding shares of Glenbriar on the open market. This gave Uniserve an 81.3% ownership of the issued and outstanding shares of Glenbriar as at September 30, 2017.

On October 17, 2017 Glenbriar executed an agreement to assign, sell, and transfer all of its rights, title and interest in and to all Glenbriar assets to be used or in any way connected with its conduct of business of providing information technology and software licensing, consulting, support and services to Uniserve (the "Asset Purchase Agreement").

On March 9, 2018 Uniserve sold all of its shares in the company in a private sale to several arm's length purchasers all with less than 10% ownership of the company.

## OUTLOOK

The company is currently seeking new business opportunities and has entered into an agreement to acquire Eleos Robotics a company that is developing RoboWeeder a product which can weed large areas of fields with Artificial intelligence and microwave technology. It can operate 24 hours a day and 7 days a week recharging itself. The agreement requires the RoboWeeder prototype completion and commercial sale to complete the deal.

On March 2019 the Company announced it had entered into an arm's length agreement to acquire all of the shares of private BC based Eleos Robotics Inc. ("Eleos"). The agreement contemplates that the Company will issue 100% of the issued and outstanding shares of the Company, at a deemed value of approximately \$4.74 million, to the shareholders of Eleos, upon certain milestones being met. In the interim, the Company will fund technology development in the amount of \$1 million under a license agreement that will see the Company own an undivided on half of the technology developed. As of the date of this report, \$525,000 has been loaned to Eleos as a part of acquisition agreement.

The Company completed a private placement. To date June 30th, 2019 17,308,000 shares have been issued raising \$865,400. The company paid out \$9,200 in finder fees of units at a price of \$0.05 for each unit consisting of one common share and one warrant exercisable into one common share at a price of \$0.10 in the first year and \$0.15 in the second year.

After the private placement there will be a 2 for 1 share consolidation.

The deal and its details were approved by the shareholders on May 30, 2019.

### SELECTED ANNUAL FINANCIAL INFORMATION

The following table provides a brief summary of the Company's financial operations. For more detailed information refer to the consolidated financial statements.

|  | Year Ended<br>September 30,<br>2018 | Year Ended<br>September 30,<br>2017 | Year Ended<br>September 30,<br>2016 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Total revenues   | \$ -                                | \$ -                                | \$ -                                |
| Net loss from continued operations                     | (386,751)                           | (99,742)                            | (80,814)                            |
| Net and comprehensive income (loss) for the year       | 1,694,676                           | (641,817)                           | 43,784                              |
| Basic & diluted (loss) earnings per share – continuing | (0.00)                              | (0.00)                              | (0.00)                              |
| Basic & diluted (loss) earnings per share              | 0.01                                | (0.01)                              | 0.00                                |
| Total assets   | 6,191                               | 423,762                             | 1,051,908                           |
| Current liability                                      | 392,942                             | 732,095                             | 998,192                             |
| Total long-term liabilities                            | -                                   | -                                   | 350,232                             |
| Dividends declared per share                           | 0.01                                | Nil                                 | Nil                                 |

### FINANCIAL SUMMARY

The following table presents the Company's condensed interim statement of comprehensive loss for the three months ended June 30, 2019 and 2018. The financial information is presented in Canadian dollars and was prepared in accordance with IFRS.

|                                    | Three months<br>ended<br>June 30, 2019 | Three months<br>ended<br>Jun30,2018 | Change (\$) | Change (%) |
|------------------------------------|--|-------------------------------------|-------------|------------|
|                                    | \$                                     | \$                                  | \$          | \$         |
| Consulting                         | (1,570)                                | (12)                                | 1,558       | 12,983.33% |
| General and administrative         | (9,000)                                | (15,000)                            | (6,000)     | (40,00)%   |
| Professional fees                  | (26,500)                               | (15,000)                            | 11,500      | 76.67%     |
| Management and directors fees      | (80,600)                               | (13,577)                            | 67,023      | 493.65%    |
| Transfer agent and filing expenses | (12,467)                               | (1,450)                             | 11,017      | 70,14%     |

|                                   |         |          |           |           |
|-----------------------------------|---------|----------|-----------|-----------|
| Change in estimate of GST         | 208,477 | -        | (208,477) | (100.000) |
| Comprehensive loss for the period | 78,340  | (45,039) | 123,379   | 273.94%   |

### ***Three months ended June 30, 2019***

The Company's comprehensive income totaled \$78,340 for the period three months ended June 30, 2019 (2018: comprehensive loss totaled \$45,039), with basic and diluted loss per share of \$0.00 (2018: \$0.00). Significant fluctuations during the period included:

- i) Changes in estimate of GST decrease due to CRA assessment.
- ii) Management and directors fees increased due to increases in research and development activities.
- iii) Professional fees increase due to increasing in research and development activities.

### **SELECTED QUARTERLY RESULTS**

A summary of selected information for each of the quarters is as follows:

| Three Months Ended | Comprehensive Loss | Basic and Diluted Loss Per Share |
|--------------------|--------------------|----------------------------------|
|                    | \$                 | \$                               |
| June 30, 2019      | 78,340             | 0.00                             |
| March 31, 2019     | (117,334)          | (0.00)                           |
| December 31, 2018  | (33,840)           | (0.00)                           |
| September 30, 2018 | (338,217)          | (0.00)                           |
| June 30, 2018      | (45,039)           | (0.00)                           |
| March 31, 2018     | (62,893)           | (0.02)                           |
| December 31, 2017  | 2,140,825          | 0.02                             |
| September 30, 2017 | (528,271)          | (0.01)                           |

### ***Cash and Working Capital***

As at June 30, 2019, the Company had cash of \$10,954 (September 30, 2018 - \$3,046) and working capital deficiency of \$128,026 (September 30, 2018 - \$386,751).

### **OUTSTANDING SHARE DATA**

#### ***Authorized Share Capital***

The Company is authorized to issue an unlimited number of common shares without par value. All issued shares are fully paid.

During the period from April 1, 2019 to June 30, 2019, the Company issued the following shares:

Company completed a non-brokered private placement for 20,000-30,000,000 units at a price of \$0.05 per unit for gross proceeds of a minimum of \$1,000,000 to a maximum of \$1,500,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.10 in the first year and \$0.15 in the second year. The first tranche closed May 1, 2019 raising \$429,700 consisting of 8,594,000 equity units. There were no finders fees paid on the first tranche. The second tranche closed June 6, 2019 raising \$435,700 consisting of 8,714,000 equity units. A total of \$9,200 and 184,000 finders' warrants were issued to 2 finder on the second tranche.

## OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off balance sheet arrangements.

## RELATED PARTIES TRANSACTIONS AND BALANCES

Details of outstanding balances with related parties including key management personnel are as follows:

|  | <b>June 30,<br/>2019</b> | <b>September 30,<br/>2018</b> |
|--|--------------------------|-------------------------------|
| Amounts due to directors and officers included in accounts payable and accrued liabilities | \$ 5,375                 | \$ 51,075                     |

The above amounts are unsecured, non-interest bearing with no fixed terms of repayment.

### *Compensation of the executive management team and directors*

The key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has identified its directors and senior officers as its key management personnel.

Total compensation to key management personnel for the three months ended June 30, 2019 and 2018 was as follows:

| <b>For the three months ended June 30,</b> |    | <b>2019</b> |    | <b>2018</b> |
|--|----|-------------|----|-------------|
| Management and directors fees              | \$ | 26,500      | \$ | 15,000      |
| Professional fees                          |    | -           |    | 7,500       |
| Total                                      | \$ | 26,500      | \$ | 22,500      |

## SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Please refer to the Notes to the condensed interim consolidated financial statements for the period ended June 30, 2019 and 2018.

## CHANGES IN ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

Please refer to the Notes to the condensed interim financial statements for the period ended June 30, 2019 and 2018.

## FINANCIAL INSTRUMENTS AND RISK FACTORS

### *Fair values*

The Company's financial instruments consist of cash, temporary investment, amount receivable, long-term investments and accounts payable and accrued liabilities. Cash, temporary investment and long-term investments are carried at fair value. The fair values of amount receivable and accounts payable and accrued liabilities approximate their carrying amounts due to their current nature.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### *Credit Risk*

Credit risks associated with cash are minimal as the Company deposits the majority of its cash with a large Canadian financial institution. The Company's credit risks associated with its amounts receivable are monitored by management. The Company's exposure to potential loss is equal to the carrying value of the amounts receivable.

### *Liquidity Risk*

All of the Company's financial liabilities have maturities of one year or less as at June 30, 2019.

|   | Carrying<br>Amount | Contractual Cash<br>Flows | Within<br>1 year | Within<br>2 years | Within<br>3 years |
|---|--------------------|---------------------------|------------------|-------------------|-------------------|
| <i>As at June 30, 2019</i>                  |                    |                           |                  |                   |                   |
| Accounts payable and accrued<br>liabilities | \$ 155,160         | \$ (155,160)              | \$ (155,160)     | \$ -              | \$ -              |
| Total                                       | \$ 155,160         | \$ (150,160)              | \$ (155,160)     | \$ -              | \$ -              |
| <i>As at September 30, 2018</i>             |                    |                           |                  |                   |                   |
| Accounts payable and accrued<br>liabilities | \$ 392,942         | \$ (392,942)              | \$ (392,942)     | \$ -              | \$ -              |
| Total                                       | \$ 392,942         | \$ (392,942)              | \$ (392,942)     | \$ -              | \$ -              |

### *Market Risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity prices, equity prices, and foreign currency fluctuations.

#### *a) Interest Rate Risk*

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company is not exposed to significant interest rate risk.

#### *b) Price Risk*

The Company is not exposed to any significant price risk associated with its long-term investments.

#### *c) Currency Risk*

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. At June 30, 2019, the Company held minimal US cash.

## **RISKS AND UNCERTAINTIES**

The Company is investing in robotic technologies and companies and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. The Company has no ongoing revenue or income from operations. The Company has limited capital resources and has to rely upon the sale of its assets or sale of its common shares for cash required to make new investments and to fund the administration of the Company. These risks may not be the only risks faced by the Company.

Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial may also adversely impact the Company's business, results of operations, and financial performance. The most significant risks and uncertainties faced by the Company are (in no specific order) are:

### Limited Operating History

The Company has limited operating history as a robotics company, and no operating history in making investments in the robotics industry. The Company and its business prospects must be viewed against the background of the risks, expenses and problems frequently encountered by companies in the early stages of their development, particularly companies in new and rapidly evolving markets such as robotics. There is no certainty that the Company will be able to operate profitably.

### No Profits to Date

The Company has not made profits since the sale of its operating business in 2017 and it is expected that it will not be profitable for the foreseeable future. Its future profitability will, in particular, depend upon its success in making strategic investments in companies involved in robotics and agriculture robotics. Because of the limited operating history, and the uncertainties regarding the development of the robotics market there are significant risks associated with the Company's investment strategy.

### Additional Requirements for Capital

Substantial additional financing may be required if the Company is to be successful in developing a successful commercial launch of robotics products. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future development. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated investments.

### Dependence on Management Team

The Company currently depends on certain key senior managers to identify business opportunities and acquisitions. Management who have developed key relationships in the industry are also relied upon to oversee the core marketing, business development, operational and fundraising activities. The Company expects the competition for management and other skilled personnel to intensify. Competition for experienced senior management is intense and other companies with greater financial resources may offer a higher and more attractive compensation package to recruit our senior managers. If one or more of our senior managers are unable or unwilling to continue their positions with the Company, we may not be able to replace them easily. Failure to attract and retain qualified employees or the loss or departure in the short-term of any member of the senior management may result in a loss of organizational focus, poor operating execution or an inability to identify and execute potential strategic initiatives. This could, in turn, materially and adversely affect the Company's business, financial condition and results of operations.