

SENTERNET PHI GAMMA INC.

MANAGEMENT DISCUSSION AND ANALYSIS

MARCH 31, 2014

This management discussion and analysis (“MD&A”) of results of operations and financial condition of Senternet Technologies Inc. (“the Company”) describes the operating and financial results of the Company for the three month period ended March 31, 2014. The MD&A supplements, but does not form part of the financial statements of the Company and should be read in conjunction with the Company’s unaudited condensed interim financial statements for the three month period ended March 31, 2014.

The Company prepares and files its financial statements in accordance with International Financial Reporting Standards (“IFRS”). All dollar amounts herein are in Canadian currency unless otherwise specified.

Forward-looking Statements

Some statements contained in this MD&A are forward-looking, and therefore involve uncertainties or risks that could cause actual results to differ materially. The Company disclaims any obligation to update forward-looking statements.

Date of MD&A

This MD&A was prepared using information that is current as of May 29, 2014, unless otherwise stated.

Results of Operations

Summary of Quarterly Results

The following tables set out financial performance highlights for the last eight quarters and were prepared in accordance with IFRS.

	First Quarter March 31, 2014	Fourth Quarter December 31, 2013	Third Quarter Sept. 30, 2013	Second Quarter June 30, 2013
Revenues	\$ 0	\$ 0	\$ 0	\$0
Expenses	3,341	203,699	3,638	13,624
Net income (loss)	(3,341)	(203,699)	(3,638)	(13,624)
Net income (loss) per share	\$(0.001)	\$(0.026)	\$(0.001)	\$(0.002)
Cash flow from (used in) operations	(455,068)	213	(55)	103
Cash, end of period	38	288	75	130
Assets	598,367	7,398	542	1,655
Liabilities	586,943	447,451	(236,896)	234,371
Shareholders’ equity	11,424	(440,053)	(236,354)	(232,716)
Dividends	0	0	0	0

	First Quarter March 31, 2013	Fourth Quarter December 31, 2012	Third Quarter Sept. 30, 2012	Second Quarter June 30, 2012
Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenses	4,296	14,323	3,913	6,186
Net income (loss)	(4,296)	(14,323)	(3,913)	(6,186)
Net income (loss) per share	\$(0.001)	\$(0.002)	\$(0.001)	\$(0.001)
Cash flow from (used in) operations	2	200	(403)	595
Cash, end of period	27	25	15	228
Assets	580	512	518	515
Liabilities	219,672	215,308	200,991	197,075
Shareholders’ equity	(219,092)	(214,796)	(200,473)	(195,560)
Dividends	0	0	0	0

Summary of Annual Results

The following tables set out financial performance highlights for the past three fiscal years were prepared in accordance with IFRS.

	Twelve months ended December 31, 2013	Twelve months ended December 31, 2012	Twelve months ended December 31, 2011
Revenues	\$0	\$0	\$0
Expenses	225,257	29,668	33,531
Net income (loss)	(225,257)	(29,668)	(33,531)
Net income (loss) per share	\$(0.033)	\$(0.005)	\$(0.010)
Cash flow from (used in) operations	263	(13)	(1,046)
Cash, end of year	288	25	38
Assets	7,398	512	489
Liabilities	447,451	215,308	185,617
Shareholders' equity	(440,053)	(214,796)	(185,128)
Dividends	0	0	0

Development of technology

The Company entered into an agreement dated January 27, 2014 to design a TMItrac key fob with an arms-length party. Under the terms of agreement, the Company is to pay \$116,602 (\$103,188 + \$13,414 HST) on the following terms:

\$25,000 on entering the agreement (paid)

\$45,000 on February 28, 2014 (paid)

\$30,000 on March 31, 2014 (paid)

\$16,602 upon delivery

The Company also issued 20,561,570 common shares valued at \$418,318.

The TMItrac key fob is a unique multifunctional device which will track Android™, Apple® and Windows® mobile smart devices located within 300 feet/100 metres and warns the device user of its separation from the multifunctional device and backs up key user private and personal data in case of the loss of the mobile smart device.

During the period, the Company completed Phase 1 testing with a four-layered authentication process for smart devices (smartphones, tablets and phablets).

With security breaches on the rise and the stolen smartphone problem an international growing crisis, the Company uses a four-step authentication solution to secure and protect personal and private data on your smart device. In addition, the Company's solution can also identify, track and locate your smart device.

As a first step in its international plans, the Company is focusing on establishing its presence in the Israeli high-tech industry/silicon valley and has registered senternetphigamma.co.il. It believes that it has a natural affinity in the Israeli high-tech industry with its revolutionary technologies for smart devices i.e. its four-layered authentication key fob.

Common shares

By Articles of Amendment dated January 22, 2014, the Company's name was changed to Senternet Phi Gamma Inc.

At an Annual and Special Meeting of the Shareholders dated May 15, 2013, a return of capital was approved by the issue of four common shares for each common shares held. This was completed during the period.

During the period, the Company completed a private placement of 1,452,028 shares at a price of \$0.02066 per share for proceeds of \$30,000.

Stock Exchange Listing

The Company has received initial approval and has been granted symbol STX from the Frankfurt Stock Exchange.

Disclosure controls and procedures

Based on continual evaluations of the Company's disclosure controls and procedures, the Company's chief executive officer and chief financial officer have concluded that, as of March 31, 2014, the design and operation of these disclosure controls and procedures are effective at the reasonable assurance level to ensure that material information relating to the Company would be known to them by others within those entities, particularly during the period in which the MD&A and the condensed interim financial statements contained in this report were being prepared.

Internal controls over financial reporting

The Company's chief executive officer and chief financial officer have designed, or have caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The chief executive officer and chief financial officer concluded that there has been no change in the Company's internal control over financial reporting during the three month period ended March 31, 2014, that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Additional Information

Additional information can be found on Sedar @ www.sedar.com.

Source of Funds

The Company relies on advances from shareholders, exercise of options and private placements, to fund working capital.