

SENTERNET PHI GAMMA INC.

MANAGEMENT DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2015

This management discussion and analysis ("MD&A") of results of operations and financial condition of Senternet Phi Gamma Inc. ("the Company") describes the operating and financial results of the Company for the nine month period ended September 30, 2015. 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 nine month period ended September 30, 2015.

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 November 25, 2015, 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.

	Third Quarter Sept 30, 2015	Second Quarter June 30, 2015	First Quarter March 31, 2015	Fourth Quarter December 31, 2014
Revenues	\$0	\$0	\$0	\$0
Expenses	5,265	9,005	(63,016)	227,925
Net income (loss)	(5,265)	(9,005)	63,016	(227,925)
Net income (loss) per share	\$(0.0001)	\$(0.0002)	\$0.011	\$(0.0041)
Cash flow from (used in) operations	(5,216)	(7,488)	(231)	(81,312)
Cash, end of period	5,292	76	12,451	7,795
Assets	463,200	465,811	485,430	432,614
Liabilities	(645,224)	642,570	653,184	663,384
Shareholders' equity	(182,024)	(176,759)	(167,754)	(230,770)
Dividends	0	0	0	0

	Third Quarter Sept 30, 2014	Second Quarter June 30, 2014	First Quarter March 31, 2014	Fourth Quarter Dec. 31, 2013
Revenues	\$0	\$0	\$0	\$0
Expenses	4,357	9,912	3,341	203,699
Net income (loss)	(4,357)	(9,912)	(3,341)	(203,699)
Net income (loss) per share	\$(0.0001)	\$(0.0001)	\$(0.0001)	\$(0.026)
Cash flow from (used in) operations	13,340	(13,362)	(455,068)	213
Cash, end of period	60	13,400	38	288
Assets	625,606	656,003	598,367	7,398
Liabilities	628,451	654,491	598,943	447,451
Shareholders' equity	(2,845)	1,512	11,424	(440,053)
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, 2014	Twelve months ended December 31, 2013	Twelve months ended December 31, 2012
Revenues	\$0	\$0	\$0
Expenses	245,535	225,257	29,668
Net income (loss)	(245,535)	(225,257)	(29,668)
Net income (loss) per share	\$(0.004)	\$(0.033)	\$(0.005)
Cash flow from (used in) operations	(536,402)	263	(13)
Cash, end of year	7,795	288	25
Assets	432,614	7,398	512
Liabilities	663,384	447,451	215,308
Shareholders' equity	(230,770)	(440,053)	(214,796)
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 paid \$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 (paid)

The Company also issued 20,561,570 common shares valued at \$411,818.

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 year, 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.

As disclosed in a press release dated June 16, 2014, the Company, partners with the Canadian Chinese language television network, NTDTV Canada ("NTDTV") to distribute an initial order of 10,000 units. The units will be manufactured in Israel. In addition, following the initial campaign, NTDTV may order an unlimited number of key fob devices for smart mobile products, i.e. phones, tablets, phablets and

notebooks. The partnership will be for a period of two years from the date of the agreement. The device will be distributed across Canada, United States and rest of the world.

The device will be advertised during all hours at varied intervals for duration of 30 seconds to the length of a standard infomercial. Providing that the minimum 10,000 units are ordered and delivered to NTDTV, NTDTV will receive a percentage of net revenue per unit and a minor equity position in the Company.

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 September 30, 2015, 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 nine month period ended September 30, 2015, 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.