

## SENTERNET PHI GAMMA INC.

### MANAGEMENT DISCUSSION AND ANALYSIS

December 31, 2017

This management discussion and analysis (“MD&A”) of results of operations and financial condition of Senternet Phi Gamma Inc. (formerly Senternet Technologies Inc.) (“the Company”) describes the operating and financial results of the Company for the year-ended December 31, 2017. 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 financial statements for the year-ended December 31, 2017.

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 April 30, 2018, 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.

	<b>Fourth Quarter</b> December 31, 2017	<b>Third Quarter</b> September 30, 2017	<b>Second Quarter</b> June 30, 2017	<b>First Quarter</b> March 31, 2017
Revenues	\$ 210,992	\$ 0	\$ 0	\$ 0
Expenses	11,644	1,218	2,909	3,523
Other revenues	0	0	0	0
Other expenses	0	0	0	0
Net income (loss)	199,348	(1,218)	(2,909)	(3,523)
Net income (loss) per share	\$0.003	\$ (0.00002)	\$ (0.00005)	\$ (0.0007)
Cash flow from (used in) operations	(5,602)	(9,764)	(15,019)	844
Cash, end of period	7	2,171	2,189	2,207
Assets	1,368	4,182	4,044	3,892
Liabilities	160,397	363,099	361,743	358,684
Shareholders’ equity	(159,569)	(358,917)	(357,699)	(354,791)
Dividends	0	0	0	0

	<b>Fourth Quarter</b> December 31, 2016	<b>Third Quarter</b> September 30, 2016	<b>Second</b> <b>Quarter</b> June 30, 2016	<b>First Quarter</b> March 31, 2016
Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenses	1,272	17,045	14,132	5,608
Net income (loss)	(1,272)	(17,045)	(14,132)	(5,608)
Net income (loss) per share	\$ (0.00002)	\$(0.0003)	\$ (0.00002)	\$ (0.00001)
Cash flow from (used in) operations	(1,334)	(12,295)	(1,517)	(1,762)
Cash, end of period	7	(15)	28	2,901
Assets	3,464	4,713	2,548	4,816
Liabilities	354,731	354,686	335,499	323,199
Shareholders' equity	(351,267)	(349,973)	(332,951)	(318,383)
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.

	<b>Twelve months</b> <b>ended</b> <b>December 31, 2017</b>	<b>Twelve months</b> <b>ended</b> <b>December 31, 2016</b>	<b>Twelve months</b> <b>ended</b> <b>December 31, 2015</b>
Revenues	\$ 210,992	\$ 0	\$ 0
Expenses	19,294	38,057	82,440
Net income (loss)	191,698	(38,057)	(82,440)
Net income (loss) per share	\$0.0003	\$(0.0007)	\$(0.0024)
Cash flow from (used in) operations	(29,541)	(16,908)	4,452
Cash, end of year	29	7	3,307
Assets	1,368	3,464	5,808
Liabilities	160,937	354,731	319,018
Shareholders' equity	(159,569)	(351,267)	(313,210)
Dividends	0	0	0

### **Developments**

In March 2015, it became apparent to management that the company would not be able to develop the Key Fob technology under the established design parameters and prototypes (the agreement entered between the Company and NeuronixWorks Inc. was effective as of January 27, 2014).

FastCorp Management Ltd. ("FCM") previously provided accounting services to the Company and FastCorp Computers Ltd. ("FCC") previously provided electronic filing services for the Company. Effective March 15, 2016, both FCM and FCC were adjudged bankrupt.

**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 December 31, 2017, 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 year-ended period ending December 31, 2017, 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](http://www.sedar.com).

**Source of Funds**

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