GRAVITAS FINANCIAL INC.

Management's Discussion and Analysis

As At June 30, 2017
and for the three and six-month periods ended June 30, 2017 and 2016
(Expressed in Canadian dollars)

GENERAL

The following discussion of performance, financial condition and future prospects should be read in conjunction with the condensed interim unaudited financial statements (the "Financial Statements") of Gravitas Financial Inc. (the "Company" or "Gravitas") as of June 30, 2017 and the accompanying notes thereto. The Company's Financial Statements have been prepared by management and are in accordance with International Financial Reporting Standards ("IFRS"). The Financial Statements and the MD&A have been reviewed by the Audit Committee and approved by the Company's Board of Directors on August 23, 2017. The Canadian dollar is the functional and reporting currency of Gravitas. All dollar amounts within this report are expressed in Canadian dollars.

In addition to reviewing this report, readers are encouraged to read the Company's public filings, on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking statements" for the purpose of applicable Canadian securities legislation. These statements reflect our management's expectations with respect to future events, the Company's financial performance and business prospects. All statements other than statements of historical fact are forward-looking statements. The use of the words "anticipate", "believe", "continue", "could", "estimate", "expect", "intends", "may", "might", "plan", "possible", "potential", "predict", "project", "should", "would", and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated or implied in such forward-looking statements. The forward looking information contained in this MD&A is presented for the purpose of assisting shareholders in understanding the Company's strategic priorities and objectives as at the periods indicated and may not be appropriate for other purposes. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon. Circumstances affecting the Company may change rapidly. Except as may be required by applicable law, the Company does not undertake any obligation to update publicly or revise any such forward looking statements, whether as a result of new information, future events or otherwise. Unless otherwise indicated, these statements speak only as of the date of this MD&A.

Actual results could differ materially from those anticipated in forward-looking statements stated within the MD&A.

CORPORATE OVERVIEW

Gravitas Financial Inc. has significant ownership interests in a number of diverse financial services entities. The Gravitas platform provides capital markets, portfolio management, merchant banking, corporate services and investor exposure services to its clients. Gravitas has also made numerous equity, debt and convertible debt investments in early-stage public and private companies.

Financial Services

The financial service divisions generate revenue from: commissions charged for trading securities; fees charged to clients for the administration of their accounts and fees received from issuers, for investment banking as well as other corporate services.

Gravitas has a significant ownership interest in Gravitas Securities Inc., an IIROC investment dealer and wealth manager and Portfolio Strategy Corp, a mutual fund dealer. These two platforms have approximately $3.4 billion in assets under administration, among their 315 advisors. The wealth management division is currently targeting higher net worth clients and moving to more fee based accounts. Gravitas' investment banking practice is focused primarily on small cap public and private companies in the areas of technology, financial technology, mining and real-estate. Gravitas is also actively growing its US investment banking operations and capabilities.

Gravitas is launching a number of funds to capitalize on its captive distribution channels. In 2017, Gravitas will launch its fifth and sixth flow-through funds. In 2016, Gravitas launched its Gravitas Special Situations Fund LP. This LP invests in small cap public companies in Canada across numerous industries.

In collaboration with our 50% owned consolidated subsidiary Gravitas Ilium Corporation ("GIC"), Gravitas created Foregrowth Inc. ("Foregrowth"), a fund company focused on bringing institutional quality investment products to the retail investor. Foregrowth launched three funds in 2017, which to date has raised over $10 million. Funds launched in 2017 include Foregrowth-Grenville Strategic Royalty Fund LP, Foregrowth Power Income Fund LP in partnership with Kensington Capital Inc., and the Foregrowth Liquid Credit Fund LP. Several more limited partnerships are currently in the pipeline to be launched over the next twelve months.

Gravitas also provides investor exposure, investment research and corporate secretarial services through Ubika Research / Smallcappower and Branson Corporate Services.

Investment Portfolio

Gravitas has focused its investment efforts on early-stage companies in both the private and public markets. These investments span various sectors and geographies. When required, Gravitas will provide strategic guidance and management support. Returns will be generated mainly from the capital gains received on dispositions that are associated with the growth in its investments, and partially from income on its debt and convertible debt.

Gravitas intends to make few select new investments over the next twelve months, while focusing on supporting existing investee companies and on monetizing certain existing positions.

The Mint Corporation

Gravitas has made a significant investment by way of debt and equity in The Mint Corporation (TSX-V: MIT, "Mint"), a prepaid card and payroll service provider with a focus on the unbanked salaried worker in the United Arab Emirates ("UAE"). Mint has its own processing platform, branded card products and provides additional value added services through its card and mobile application. Mint is in the process of launching a loan program to target its captive cardholder base. In the medium term, the loan program is expected to generate significantly higher revenues per cardholder than its processing business.

Gravitas' Unique Chinese Focus

Gravitas believes that there is a significant opportunity for it and its affiliates to take advantage of opportunities with Chinese Canadians and with companies doing business in China and Canada. In 2016, Gravitas formed its consolidated 50% subsidiary, GIC, to facilitate transactions and capital flows between China and Canada. Gravitas intends to leverage deep connections into the Chinese business community both in Canada and in China to facilitate mandates of large Chinese multinationals looking to acquire or invest in assets in Canada. Gravitas also works with Canadian companies looking to gain exposure to the Chinese market. In addition, Gravitas is looking at creative ways to give Canadians direct market exposure in Chinese companies.

SELECTED FINANCIAL INFORMATION

As at June 30, 2017, the total liabilities of the Company were $180,816,751 compared to $175,154,474 at December 31, 2016, an increase of $5,662,277. The difference is mainly attributable to Gravitas Securities Inc. balances payable to brokers and clients and trade and other payables. As at June 30, 2017, the total equity deficiency of the Company was $85,758,277, compared to $74,360,341 at December 31, 2016, an increase of $11,372,560 mainly due to the 2017 net loss from operations of $6,044,680, $2,684,994 increase in non-controlling losses and remainder due to decrease in fair value of equity investments.

INCOME STATEMENT ANALYSIS FOR THE THREE MONTHS ENDED JUNE 30, 2017 AND 2016

	For the three months ended June 30,		
	2017	**2016**	**Variation**
	$	**$**	**$**
Revenues			
Investment banking & wealth management	1,964,984	-	1,964,984
Listing and research	294,151	296,387	(2,236)
Consulting and management fees	626,201	112,466	513,735
Royalties	77,862	84,347	(6,485)
Interest	375,655	476,483	(100,828)
Product Sales and Other	79,209	48,103	(31,106)
Total Revenues	**3,418,062**	**1,017,786**	**2,400,276**
Expenses (discussed below)	8,721,947	3,806,136	(4,915,811)
Net loss from continuing operations	**(5,303,885)**	**(2,788,350)**	**(2,715,535)**

Net loss from continuing operations for the three months ended June 30, 2017, was $5,303,885 ($0.07 per share) as compared to $2,788,350 ($0.04 per share) for the same period in 2016, a higher loss of $2,715,535.

For the three months ended June 30, 2017, revenues totalled $3,418,062 compared to $1,017,786 for the same period in 2016, an increase of $2,400,276. The key reasons for the increase were the acquisition of 2242257 Ontario Inc. ("2242") and its subsidiaries, which generated approximately $2.0 million of additional revenues from its operations. In additionconsulting fees increased by approximately $0.2 million, due to additional Branson clients and therefore revenue.

For the three months ended June 30, 2017, expenses totalled $8,721,947 compared to $3,806,136 for the same period of 2016, an increase of $4,915,811.

The following table shows a breakdown of expenses for the three months ended June 30, 2017, and 2016:

	For the three months ended June 30,		
	2017	**2016**	**Variation**
	$	**$**	**$**
Expenses			
General and administrative	1,706,965	444,511	(1,262,454)
Compensation and management fees	1,685,750	542,693	(1,143,057)
Professional fees	1,784,931	889,606	(895,325)
Interest expense	1,752,081	1,749,674	(2,407)
Exchange loss	96,377	50,090	(46,287)
Gain on disposal of available-for-sale investments	303,867	(158,197)	(462,064)
Results of associates	248,030	392,523	144,493
Change in fair value of convertible debentures – conversion feature	201,772	(237,786)	(439,558)
Impairment in investments	57,562	408,724	351,162
Stock based compensation	1123,100	-	(1,123,100)
Amortization	118,042	100,244	(17,798)
Share of joint venture, net of tax	(2,706)	-	2,706
Change in "fair value to profit and loss" ("FVTPL") investments	(353,824)	(228,935)	124,889
Loss on settlements	-	(147,011)	(147,011)
Total Expenses	**8,721,947**	**3,806,136**	**(4,915,811)**

The increase in salaries and management fees for the three months ended June 30, 2017, is primarily due to the acquisitions of 2242, Elitify and Revenue.com, which accounted for an increase of approximately $0.9 million. In addition for June 30, 2017 (December 31, 2016 – 61), total headcount was 72 comparied to 49 for the same period in June 30, 2016 reflecting the general growth of the Company.

The increase in consulting and professional fees was primarily due to the acquisition of 2242 which incurred costs of approximately $0.3 million during the quarter. In addition, $0.3 million was due to general growth of the Company and $0.3 million related to Mint's consulting fees for the debenture restructuring.

General and administrative fees significantly increased due to the acquisitions of 2242 and Elitify, which represents approximately $1.0 million and reminder primarily due to the general growth of the Company.

During the three months ended June 30, 2017, Gravita's subsidiaries, Mint and Revenue.com, granted stock options of 10,210,000 to directors, officers, emplouees and consultants. Using the fair value method, total share based compensation were $1,123,100.

When the Company holds debentures that are convertible into the issuer's equity shares, the equity conversion feature represents an embedded option written by the issuer on its equity shares. Such equity conversion feature is classified as fair value through profit or loss and revalued every period. For the three months ended June 30, 2017, the fair value of these conversion feature decreased by $201,772 compared to an increase of $237,786 for the same period in 2016, primarily due to changes in the market values of the underlying issuers.

For the three months ended June 30, 2017, the Company incurred impairment charges of $57,562, a decrease of $351,648. The impairment during the period related to impairment of investments in equity investments.

INCOME STATEMENT ANALYSIS FOR THE SIX MONTHS ENDED JUNE 30, 2017 AND 2016

	For the six months ended June 30,		
	2017	**2016**	**Variation**
	$	**$**	**$**
Revenues			
Investment banking and wealth management revenue	3,584,159	-	3,584,159
Listing and research	581,148	602,108	(20,960)
Consulting and management fees	901,303	222,017	679,286
Royalties	161,506	201,050	(39,544)
Interest	873,532	949,788	(76,256)
Produce Sales and Other	195,957	62,664	133,293
Total Revenues	**6,240,287**	**2,037,627**	**4,202,660**
Expenses (discussed below)	17,588,853	11,583,171	(6,005,682)
Net loss from continuing operations	**(11,348,566)**	**(9,545,544)**	**(1,803,022)**

Net loss from continuing operations for the three months ended June 30, 2017, was $11,348,566 ($0.16 per share) as compared to $9,545,544 ($0.13 per share) for the same period in 2016, a increase of $1,803,022.

For the six months ended June 30, 2017, revenues totalled $6,240,287 compared to $2,027,627 for the same period in 2016, an increase of $4,202,660. The key reasons for the increase were the acquisition of 2242, which generated approximately $3.5 million of additional revenues from its operations; and consulting fees increased by approximately $0.3 million, this increase was due to additional Branson clients.

For the six months ended June 30, 2017, expenses totalled $17,588,853 compared to $11,583,171 for the same period of 2016, an increase of $6,005,682.

The following table shows breakdown of expenses for the six months ended June 30, 2017, and 2016:

	For the six months ended June 30,		
	2017	**2016**	**Variation**
	$	**$**	**$**
Expenses			
General and administrative	3,623,149	893,117	(2,730,032)
Compensation and management fees	4,261,800	1,045,762	(3,216,038)
Consulting and professional fees	3,988,981	1,515,579	(2,473,402)
Interest expense	3,596,515	3,558,651	(37,864)
Exchange loss	190,310	581,923	391,613
Gain on disposal of available-for-sale investments	(197,122)	(181,455)	15,667
Results of associates	795,875	701,852	(94,023
Change in fair value of convertible debentures – conversion feature	426,466	(668,308)	(1,094,774)
Impairment in investments	207,562	980,164	772,602
Stock based compensation	1,123,100	-	(1,123,100)
Amortization	234,909	198,164	(36,745)
Share of joint venture, net of tax	(5,419)	-	5,419
Change in fair value of FVTPL investments	(657,273)	(41,100)	616,173
Debenture restructuring fee	-	3,583,429	3,583,429
Loss on settlements	-	(584,914)	(584,914)
Total Expenses	**17,588,853**	**11,583,171**	**(6,005,682)**

The increase in compensation and management fees for the six months ended June 30, 2017, is primarily due to the acquisitions of 2242, Elitify and Revenue.com, which accounted for an increase of approximately $2.4 million and the general growth of the Company.

The increase in consulting and professional fees was primarily due to the acquisition of 2242 which incurred costs of approximately $1.0 million during the six months ended June 30, 2016. In addition, $0.8 million was due to general growth of the Company and $0.5 million related to Mint's consulting fees for the debenture restructuring.

General and administrative fees increased due to the acquisitions of 2242 and Elitify, which represents approximately $2.0 million and $1.7 million primarily due to the general growth of the Company.

During the six months ended June 30, 2017, Gravita's subsidiaries, Mint and Revenue.com, granted stock options of 10,210,000 to directors, officers, emplouees and consultants. Using the fair value method, total share based compensation were $1,123,100.

When the Company holds debentures that are convertible into the issuer's equity shares, the equity conversion feature represents an embedded option written by the issuer on its equity shares. Such equity conversion feature is classified as fair value through profit or loss and revalued every period. For the six months ended June 30, 2017, the fair value of these conversion feature decreased by $426,466 compared to an increase of $668,308 for the same period in 2016, primarily due to changes in the market values of the underlying issuers.

For the six months ended June 30, 2017, the Company incurred impairment charges of $207,562, a decrease of $772,602. The impairment during the period related to impairment of investments in equity investments.

SELECTED BALANCE SHEET INFORMATION

The following table present the important variations on the Company's key assets:

	June 30, 2017	December 31, 2016	Variation
	$	$	$
Assets of continuing operations			
Receivables from brokers and clients	25,582,157	22,976,245	2,605,912
Investments in associates	18,718,438	10,231,641	8,486,797
Equity investments and other	15,176,262	13,609,214	1,567,048
Trade and other receivables	5,380,400	5,002,466	377,934
Loan receivable (current and non-current)	4,130,680	3,925,391	205,289
Convertible debentures held (current and non-current)	3,439,689	3,492,898	(53,209)
Guaranteed investment certificates	2,716,421	8,679,939	(5,963,518)

Receivable from broker and clients

The Company's partially owned subsidiary, Gravitas Securities Inc. ("GSI") is required to carry clients' accounts on its statement of financial position, and accordingly receives, delivers or holds cash or securities in connection with such clients. As at June 30, 2017, GSI held client money in segregated accounts totalling $25,582,157 (December 31, 2016: $22,976,245). All amounts receivable from clients and brokers have an equally offsetting payable. As GSI does not have a legal right to offset these amounts, they have been presented as a receivable and a payable on the statement of financial position.

Investments in associates

A summary of the assets, liabilities and operations of associates are presented below:

	June 30, 2017			December 31, 2016		
Expressed in thousands	Prime	Mint UAE Operations	PAI	Prime	Mint UAE Operations	PAI
		$	$		$	$
Financial position						
Current assets	4	3,088	4,115	13	2,319	3,943
Non-current assets	-	5,084	7,139	-	5,236	6,945
Current liabilities	567	2,8111	2,276	530	2,127	2,168
Non-current liabilities		419	5,628	4	397	5,485
	For the three months ended June 30, 2017			For the three months ended June 30, 2016		
Statement of earnings (loss)						
Revenue	-	1,459	7,364	-	1,097	6,809
Expenses	25	2,213	7,116	28	1,872	6,515
Operating income (loss)	(25)	(861)	428	(28)	(775)	282
Net earnings (loss)	(25)	(861)	340	(28)	(775)	211
Cash flows						
Dividends paid	-	-	450	-	-	350
Expressed in thousands	Prime	Mint UAE Operations	PAI	Prime	Mint UAE Operations	PAI
		$	$		$	$
	For the six months ended June 30, 2017			For the six months ended June 30, 2016		
Statement of earnings (loss)						
Revenue	-	2,2118	14,881	-	2,139	13,634
Expenses	48	4,255	14,434	54	3,601	13,140
Operating income (loss)	(48)	(2,044)	885	(54)	(1,462)	282
Net earnings (loss)	(48)	(2,044)	668	(54)	(1,462)	4841
Cash flows						
Dividends paid	-	-	550	-	-	350

Portfolio Analysts Inc. ("PAI")

The Company owns a 40% interest in Portfolio Analysts Inc. ("PAI") giving it significant influence over PAI's operations. PAI is a holding company for Portfolio Strategies Corporation ("PSC"), which is a dealer in mutual funds and exempt securities in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba and Ontario. As the Company does not have the ability to control the key operating activities of PAI, it is accounted for using the equity method.

Mint UAE Operations

Mint UAE Operations comprises of four primary entities: Mint Middle East LLC ("MME LLC"); Mint Electronic Payment Services Limited ("MEPS"); Mint Capital LLC ("MCO"); and Mint Gateway for Electronic Payment Services ("MGEPS"). MME LLC is 51% owned by Mint.

MME LLC and its affiliates focus on payroll cards, merchant network solutions and micro finance loans to existing payroll card holders. MME LLC manages the issuance, administration, customer support, payment processing and set up and reporting of payroll cards and related activities. MCO provides micro finance loans to payroll card holders.

MEPS is 49% owned by MME LLC, but is fully controlled subsidiary of MME LLC by virtue of a nominee agreement which provides the Board and management control, as well as a 100% commercial interest in the operations of MEPS. MCO is a 100% subsidiary of Mint. MGEPS is 49% owned by MCO and a third party, Global Business Services for Multimedia ("GBS"), owns the remaining 51%. Under the terms of a nominee agreement, GBS has nominated a two percent share of its ownership and commercial interest in favor of MCO. Accordingly, MCO beneficially owns 51% of MGEPS. MEPS LLC and MCO presently have no significant operations.

During the six months ended June 30, 2017, the Company advanced an additional $266,660 (June 30, 2016: $422,620) in the Mint UAE Operations. In addition, the Company advanced an additional US$1,400,000 ($1,873,825) to MGEPS (June 30, 2016 – $803,830). This loan bears interest at 4.5% and matures on October 23, 2018.

During 2017, the Company announced that through Trizac Holding LLC, it has advanced to Hafed Holding LLC, USD $5.45 million ($7.33 million) as a deposit to secure the right to acquire a UAE Central Bank licensed financial company. The purchase price is 100 million UAE dirham (approximately USD $27.25 million or $36.24 million), of which approximately USD $15 million ($19.95 million) is due at closing, subject to adjustments.

The Company and GBS have each agreed to provide USD $7.5 million ($9.975 million) of funding to acquire the company and has agreed to fund another USD $7.5 million ($9.975 million) each to satisfy ongoing UAE Central Bank capital reserve requirements. If the transaction were to close, the company will have a cash balance of USD $9.54 million ($12.69 million) on closing.

In order to complete the acquisition, both parties must obtain financing to fund the remaining portion of the purchase price, obtain UAE Central Bank approval, complete their due diligence and enter into definitive agreements. The participation of Mint in this transaction is also subject to Canadian Stock Exchange approval.

On April 28, 2017, the Company announced the signing of a non-binding term sheet, under which the Company is to transfer its interest in the UAE Central Bank licensed entity to Mint in exchange for a USD$7.5 million ($9.975 million) secured promissory note. The security for the promissory note will be a general security agreement over the assets of Mint, ranking behind the outstanding debentures. The promissory note will bear interest at 6% per annum. The term sheet remains subject to execution of a definitive agreement, approval of the Series B debentures holders agreeing to the restructuring, agreement from GBS, and other regulatory approvals.

Prime City One Capital Corp.

The Company has an 18% interest in the outstanding shares of Prime City One Capital Corporation ("Prime"), giving it significant influence over Prime's operations. As the Company does not have the ability to control the key operating activities of Prime, its investment is accounted for usng the equity method. As at June 30, 2017, the Company has advanced a total of $492,000 (December 31, 2016 - $492,000) to Prime, which has been fully impaired. The amounts loaned bear interest at 12% and are due on demand.

Equity investments and other

	June 30, 2017 $	December 31, 2016 $
Available for sale		
Investments in public companies		
Common shares	6,395,151	6,859,588
Investment in private companies, at cost		
Common shares	930,186	604,932
Preferred shares	1,806,792	1,806,792
Fair Value through the profit and loss statement ("FVTPL")		
Options	72,822	32,784
Warrants	3,508,142	2,147,905
Subscription receipts	100,000	-
Amortized cost		
Debentures	446,386	424,183
Other investments		
Investments in funds and related joint venture	1,916,782	1,733,029
Mining properties	1	1
Total equity investments and other	**15,176,262**	**13,609,214**

Significant reasons for the change in the above noted balances are: investments of $3,622,939 in new equity investments and other and sale of equity investments. The additional amount invested consists of an investment fund, which investments directly and indirectly in the securities of private and public issues located primarily in Canada and the United States represents special situations in order to generate capital growth.

Trade and other receivables

A continuity of the trade and other receivables is as follows:

	June 30, 2017 $	December 31, 2016 $
Trade receivables (a)	2,514,191	2,354,420
Less: Allowance for doubtful accounts	(111,233)	(235,235)
Interest receivable	1,151,344	1,085,718
Harmonized sales tax receivables	940,870	617,477
Advances to related companies (b)	295,682	460,031
Advances to related companies, at 8% per annum	300,000	300,000
Royalty receivables	161,506	243,307
Other	128,040	176,748
Total Trade and other receivables	**5,380,400**	**5,002,466**

(a) Trade receivables include $5,459 (December 31, 2016: $80,950) due from related entities.
(b) The Company has advanced $374,857 (December 31, 2016: $695,860) to the Limited Partnerships managed by two of the Company's subsidiaries. Advances are non-interest bearing and due on demand.

Loans Receivable (current and non-current)

	June 30, 2017 $	December 31, 2016 $
Secured Loans	3,254,129	3,198,126
Unsecured Loans	110,000	289,055
Employee forgivable loan	681,551	542,265
Less: Impairment	85,000	(104,055)
Balance, end of the period	**4,130,680**	**3,925,391**
Less: current portion	(3,759,280)	(3,240,687)
Non-current portion	**371,400**	**684,704**

Loan receivables bear interest rates ranging from 4% to 12% per annum with maturity dates of up to April 2019. Secured loans are secured under general security agreements.

With the acquisition of 2242, certain interest free employee forgivable loans were assumed. Under the terms of these loans, the Company will forgive 14.3% of the principal amount annually. Loan recipients would be required to repay their outstanding loan balance immediately upon ending their employment with 2242 or its subsidiary, 2242. The Company amortizes the original amount of the loan on a straight-line basis over the seven-year term. As of June 30, 2017, outstanding loans totaled, $681,551 (2016: $542,265).

Convertible Debt (current and non-current)

	June 30, 2017 $	December 31, 2016 $
Secured, with a face value ranging from $200,000 to $1,250,000 (2016: $100,000 to $1,250,000), maturity up to June 1, 2021 (2016: up to June 1, 2021) and bearing interest at 6% to 10.5% (2016: 6% to 10.5%)	2,144,043	1,780,940
Secured, with a face value ranging from US$100,000 to US$400,000 (2016: US$100,000 to US$400,000), maturity up to December 9, 2018 (2016: March 17, 2017 to December 9, 2018) and interest rates from 6% to 10% (2016: 6% to 10%)	1,066,205	661,166
Unsecured, with a face value ranging from $100,000 to $250,000 (2016: $17,000 to $250,000), up to August 14, 2019 (2016: up to August 14, 2019) and interest rates from 6% to 12% (2016: 6% to 12%)	611,340	532,045
Subtotal	3,821,588	2,974,151
Conversion feature	799,171	1,640,524
Subtotal	4,620,759	4,614,675
Less accumulated impairment	(1,181,070)	(1,121,777)
Balance, end of the period	**3,439,689**	**3,492,898**
Less: current portion	(2,313,805)	(420,583)
Non-current portion	**1,125,884**	**3,072,315**

The initial value of the loan component is determined by measuring the conversion features and assigning the residual value to the loan component. The loan component is not re-valued after initial recognition. The change in the fair value of the conversion for the three and six months ended June 30, 2017, was a decrease of $201,772 and $426,466, respectively (an increase for the three and six months ended June 30, 2016: $237,786 and $668,308, respectively).

The fair values of the conversion feature at issuance of $139,410, (December 31, 2016: $170,579). The fair values were estimated using the Black Scholes option pricing model.

Guaranteed investment certificates (current and non-current)

As at June 30, 2017, $2,716,421 (December 31, 2016: $8,679,939) was invested in guaranteed investment certificates. During the six months ended June 30, 2017, the Company had net redemptions of a total amount of $7,230,439 of GICs to primarily make additional investments and loans to associates.

BUSINESS ACQUISITIONS

The Company acquired the following entities through June 30, 2017 and during the year ended December 31, 2016. The Company accounted for these purchases using IFRS 3, Business Combinations, whereby the assets acquired and the liabilities assumed are recorded at their fair values with any excess of the aggregate consideration over the fair values of the identifiable net assets allocated to goodwill. Operating results are included from the date of the acquisition.

2242

On October 1, 2016, Gravitas Illium Corporation ("GIC"), a 50% controlled subsidiary of the Company, acquired 50.99% of 2242 ("2242") a holding company, for the conversion of $750,000 of outstanding indebtedness due from 2242 to GIC. 2242 owns a 95.2% interest in Gravitas Securities Inc. ("GSI"), and a 100% interest in each of Gravitas Capital International Inc., Gravitas Wealth Advisors LLC, and 2434355 Ontario Inc. On April 1, 2017, GIC increased its ownership in 2242 by 4% to 54.99%

Goodwill was allocated to 2242, which is a separate CGU. At June 30, 2017, the recoverable amount of the CGU was higher than its carrying value. The key assumption in the calculation of the recoverable amount include sales growth per year, changes in cost of sales and weighted average cost of capital which were projected out 5 years, with a terminal growth rate of 2%. Weighted average cost of capital was determined to be approximately 17.6% based on a risk-free rate, an equity risk premium adjusted for betas of comparable publicly traded companies, an unsystematic risk premium, an after-tax cost of debt based on the Company's financing arrangement. The Company believes that a change in the key assumptions would not cause significant changes in the impairment.

Revenue.com

On November 9, 2015, the Company assigned convertible debentures held of Revenue.com US Corporation ("Revenue.com") of $434,232, that were previously fully impaired, to 2474184 Ontario Inc., a 44.1% (2016: 51.17%) subsidiary of the Company, in exchange for 1,062,559 preferred shares of 2474184 Ontario Inc. The preferred shares have certain preferred rights and are convertible into common shares on the occurrence of specific events. Revenue.com has been assessed as a stand-alone CGU.

On November 8, 2016, Gravitas Ventures Inc ("GVI"), a 100% subsidiary of the Company, and 2474184 Ontario Inc. ("2474184") entered into a debt conversion agreement, effective October 26, 2016, wherein GVI received an aggregate of 2,701,354 common shares of 2474184. in exchange for the $696,509 loans due from 2474184. In addition, GVI received 1,218,367 shares of 2474184 as settlement for certain debts.

During 2017, 2474184 Ontario Inc. issued an additional 1,322,000 common shares reducing the Company's ownership to 45.05%. However, as the Company continues to control the Board of 2474184, it consolidated the accounts of the Company within these Financial Statements.

Elitify

On July 21, 2016, Luxury Quotient India Private Limited, a 100% owned subsidiary of the Company, acquired Elitify.com ("Elitify"), an on-line retail business operations, and certain assets and assumed certain liabilities from Lavida Luxe Lifestyle Solutions Private Limited for gross consideration of $2,043,592 ("the Elitify Acquisition"). Elitify is an on-line marketing branded luxury goods to customers in India. Elitify has been assessed as a stand-alone CGU.

As part of the acquisition of Elitify, the Company was granted an option under which it may, by July 21, 2017, return the business to the prior owners. The Company is in the process of renegotiating the total consideration payable under the acquisition. During 2016, the Company impaired the entire amount of goodwill totalling $746,676 and a portion of the intangible asset balance of $332,365. The impairment was due to performance of operations and sales targets being missed. The key assumption in the calculations of impairment include sales growth per year, changes in cost of sales and weighted average cost of capital which were projected out 5 years, with a terminal growth rate of 5.2%. Weighted average cost of capital was determined to be approximately 35% based on a risk-free rate, an equity risk premium adjusted for betas of comparable publicly traded companies, an unsystematic risk premium, an after-tax cost of debt based on the Company's financing arrangements and the capital structure of comparable publicly traded companies. The Company believes that a reasonably possible change in the key assumptions would not cause significant changes in the impairment.

SELECTED QUARTERLY RESULTS AND TRENDS (IN THOUSANDS OF $)

	2017		2016				2015	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
	$	$	$	$	$	$	$	$
Revenue	3,418	2,822	3,898	1,242	1,018	1,020	1,001	871
Net loss	(5,552)	(6,045)	(5,351)	(3,020)	(2,788)	(6,757)	(5,019)	(3,447)
Basic & diluted net loss per share	(0.070)	(0.083)	(0.076)	(0.045)	(0.042)	(0.097)	(0.066)	(0.041)

LIQUIDITY, CAPITAL RESOURCES, FINANCIAL POSITION AND SOURCES OF FINANCING

As at June 30, 2017, the Company had a total working capital of $15,573,479, which includes a cash position of $14,671,089 and guaranteed investment certificates for $2,716,421. The Company also has equity and other investments, loans receivable and convertible debentures held that will generate additional liquidity over time. The Company manages its capital structure and adjusts it related to changes in the economic environment and underlying risks of its assets. As of the date of this MD&A, the Company believes it will have sufficient liquidity to fund its operations, capital needs and future acquisitions for at least the next 12 months.

DEBENTURES (LIABILITY)

The Company and its subsidiaries presently has $141,407,086 of long-term debentures issued and outstanding. Based on the Company's current working capital position, it will be required to raise additional funds in order or sell certain investments that it holds or a combination thereof to repay these debentures.

The Company's Debentures

The total face value of the debentures issued to Gravitas is $84,045,000. The debentures with a face value of $30,023,000 mature on December 3, 2020. The Company may require additional financing in order to repay these debentures when they come due.

Mint's Debentures

The total face value of the debentures issued to Mint, is $62,471,962. The debentures at Mint, are solely tied to the operations of Mint, and are not cross-collateralized with any other entities associated with the Company, hence the refinancing of these debentures would take place solely by Mint when required. The first maturity date for debentures related to Mint, that do not have an extension that can be exercised by paying a fee at the sole discretion of the Company is $10,000,000, which is due on June 23, 2018. The Company may require additional financing in order to repay these debentures when they come due. Subsequent to quarter end and subject to certain closing conditions, the Company revised the terms of its debentures.

The following is a summary of the debentures outstanding:

	Gravitas	Gravitas	Mint	Mint	Mint	Total
	Series #1 (a)	Series #2 (b)	Series B (c)	Series A (d)	Series C (e)	
	$	$	$	$	$	$
Balance, January 1, 2016	**29,817,688**	**53,124,939**	**4,160,164**	**43,556,598**	**9,688,197**	**140,347,586**
Debenture restructuring	-	-	-	3,583,429	-	3,583,429
Repayment/settlement of debentures	-	-	(689,500)	-	-	(689,500)
Gain on settlement of debentures	-	-	(750,940)	-	-	(750,940)
Accretion of interest	107,474	111,827	610,688	1,145,232	118,682	2,093,903
	107,474	111,827	(829,752)	4,728,661	118,682	4,236,892
Balance, December 31, 2016	**29,925,162**	**53,236,766**	**3,330,412**	**48,285,259**	**9,806,879**	**144,584,478**
Accretion of interest	20,584	47,786	97,495	132,967	62,688	361,520
Extension of maturity	(111,005)	-	-	-	-	(111,005)
Balance, June 30, 2017	**29,834,171**	**53,284,552**	**3,427,907**	**48,418,226**	**9,869,567**	**144,834,423**
Less: Current portion	-	-	(3,427,907)	-	-	(3,427,907)
Non-current portion	**29,834,741**	**53,284,552**	**-**	**48,418,226**	**9,869,567**	**141,407,086**

During April 2017, Mint entered into a non-binding term sheet with the holders of substantially all of its Series A debentures and all of its Series C debentures. Mint's Series A and Series C debentures are to be replaced by $20 million of debt, bearing an interest rate of 10% per annum and a maturity date of December 31, 2021. The new debt will be secured by a first position security interest in the assets of Mint, MME and Mint Capital LLC. The debenture-holders will also receive (a) 17,300,000 common shares of Mint, (b) 11,700,000 common share purchase warrants of Mint, and (c) subscription receipts to acquire a total of 16,000,000 common shares of Mint. Each warrant will be exercisable after two years and on or before the maturity date of the newly negotiated debt for one common share of Mint at an exercise price of $0.10. The subscription receipts will automatically convert into 2,000,000 common shares of Mint, at the end of each of the first eight three-month periods following the issuance of the new debt, subject to certain adjustments relating to any prepayment made prior to that conversion date. As a result, the ownership interest of the Company in Mint is expected to be reduced to approximately 66.5% on a non-diluted basis and approximately 56.5% on a fully-diluted basis.

The above is conditional upon Series B debentures being modified. The Company's proposal to the current debenture holders is as follows: in respect of each $1,000 principal amount of Series B Debentures: (i) $200.86 in cash plus 3,348 common shares of Mint, or (ii) 6,026 common shares of Mint. This offer expires at the close of business on August 31, 2017. Successful completion of this offer is conditional upon, amongst other things, approval of at least 66⅔% of the Series B Debentures outstanding, unless that condition is waived.

Summary of Shares Outstandings

As at August 24, 2017, the Company's authorized share capital consists in an unlimited number of common shares of which 72,601,305 are currently outstanding. No warrants or stock options are currently outstanding.

Related Parties and Related Party Transactions

Parties are considered related if on party has the ability, either directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. This would include the Company's senior management. Parties are also related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. The following are the related party transactions during the six months ended June 30, 2017. Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received.

During the six months ended June 30, 2017, the Company:

- incurred legal fees of $70,837 (2016: $24,889) from a legal firm in which the former Chief Executive Officer ("CEO") and current director is a partner.
- paid management and consulting fees paid to GBS, the owner of the remaining 49% interest in Mint UAE aggregated to $259,487 (UAE Dirham 720,000) (2016: $248,086 (UAE Dirham 720,000). These amounts were incurred and recorded in Mint UAE Operations and are included in the Company's share of losses of associates on the consolidated statement of loss and comprehensive loss.
- paid $36,025 (2016: $28,750) Soigne Technologies Inc., a company in which an employee has an interest.

As at June 30, 2017, the amounts due to related companies in which there are common directors were $11,635 (December 31, 2016: $42,837).

SEGMENTED INFORMATION

Gravitas operates in two key segments. Below is a description of each segment and the entities that operate within each segment. Certain prior period segment information has been amended to be consistent with the current period.

1. **Financial Services**: This group of businesses operate in financial products and distribution businesses and are operated independently with their own management teams that require high levels of compliance and governance as well as capital markets, advisory, regulatory and compliance needs of private and publicly listed corporations. The following entities operate within this segment: Gravitas Select Flow-Through GP Inc.; Gravitas Special Situations GP Inc.; Gravitas Financial Services Holdings Inc.; Gravitas International Corp., Gravitas Ilium Corp.; Gravitas Investment Inc.; Gravitas Investments GP Inc; 2242257 ("2242") Ontario Inc; Gravitas Capital International Inc. Gravitas Securities Inc.; Gravitas Wealth Advisors, LLC; 2434355 Ontario Inc; Gravitas Independent Portfolio Management Inc.; Portfolio Analysts Inc. and subsidiaries; Foregrowth Inc and subsidiaries; Gravitas Global GP Inc; Gravitas Global Resource LP.; Ubika Corp; Smallcappower Corp.; Gravitas Corporate Services Inc.; Branson Corporate Services Inc.; and Global Compliance Corp.
2. **Portfolio Investments:** This group of entities acquires long-term interests in companies that have high potential for value additions and where the Company provides key strategic inputs and management support either directly or through board representations. The following entities operate within this segment: Gravitas Ventures Inc.; 2474184 Ontario Inc. and subsidiary; GIC Merchant Bank Corporation; New India Investment Corp.; Luxury Quotient International Inc.; Luxury Quotient India Private Ltd., which includes the operations of Elitify; The Mint Corporation, and subsidiaries; Gravitas Siraj Holdco Inc, Siraj Ontario Corporation; Prime City One Capital Corp; SearchGold Guinee SARL; Gravitas Mining Corp. Claxton Capital Management and subsidiaries; and Claxton Real Estate Company Ltd and subsidiaries.
3. **Corporate:** This group primarily represents the cost of the corporate overhead expenses not allocated to other segment and is comprised of Gravitas Financial Inc.

Segmented Information – Income Statement

For the three months ended				June 30, 2017				June 30, 2016
(expressed in thousands)	Financial Services $	Portfolio Investments $	Corporate $	Total $	Financial Services $	Portfolio Investments $	Corporate $	Total $
Revenues	2,478	733	207	3,418	504	194	320	1,018
Expenses, excluding the undernoted	957	2,382	350	3,689	(168)	386	406	624
Interest expense	84	859	883	1,826	5	1,068	724	1,797
Compensation and management fees	1,103	298	284	1,685	123	83	337	543
Professional fees	1,008	499	254	1,761	376	94	419	889
Net earnings (loss) before undernoted	(674)	(3,305)	(1,564)	(5,543)	168	(1,437)	(1,566)	(2,835)
Intercompany allocations	(24)	(58)	73	(9)	-	-	47	47
Net earnings (loss)	**(698)**	**(3,305)**	**(1,491)**	**(5,552)**	**168**	**(1,437)**	**(1,519)**	**(2,788)**

For the six months ended				June 30, 2017				June 30, 2016
(expressed in thousands)	Financial Services $	Portfolio Investments $	Corporate $	Total $	Financial Services $	Portfolio Investments $	Corporate $	Total $
Revenues	4,803	914	523	6,240	991	370	676	2,037
Expenses, excluding the undernoted	2,021	3,029	736	5,786	22	4,008	1,433	5,463
Interest expense	231	2,007	1,596	3,834	8	2,197	1,447	3,652
Compensation and management fees	2,803	618	841	4,262	254	176	616	1,046
Professional fees	2,176	1,011	778	3,965	627	187	701	1,515
Net earnings (loss) before undernoted	(2,428)	(5,751)	(3,428)	(11,366)	80	(6,198)	(3,521)	(9,639)
Intercompany allocations	(138)	127	21	10	-	-	94	94
Net earnings (loss)	**(2,566)**	**(5,624)**	**(3,407)**	**(11,597)**	**80**	**(6,198)**	**(3,427)**	**(9,545)**

Revenues within the Financial Services segment increased $1.5 million year over year primarily due to the acquisition of 2242 and its subsidiaries. 2242, holds an interest in both a Canadian IIROC broker dealer and a US regulated dealer. Expenses increased primarily due to the acquisition of 2242 and Elitify comprised of the following: general and administrative fees $2.0 million; compensation and management gees of $2.4 million; and professional fees $1.0 million.

Revenues within the Portfolio Investments segment increased primarily due to management fees and advisory fees in both Revenue.com and GIC Merchant Bank. Expenses increased primarily due to Mint's and Revenue.com's stock option expense totalling $1.1 million, Mint's consulting fees for the restructuring of the various debenturesf $0.3 million and Revenue.com's additional expenses of $0.7 million.

Corporate expenses decreased due to lower impairment of $0.3 million and a lower foreign exchange of $0.4 million.

Segmented Information – Balance Sheet

As at				June 30, 2017				December 31, 2016
(expressed in thousands)	Financial Services $	Portfolio Investments $	Corporate $	Total $	Financial Services $	Portfolio Investments $	Corporate $	Total $
Total assets	27,987	24,835	42,236	95,058	31,104	7,102	62,588	100,794
Total liabilities	22,106	75,539	83,172	180,817	26,287	64,884	83,983	175,154
Investment in associates [1]	3,476	15,242	-	18,718	3,409	6,823	-	10,232

(1) The amount noted within investment in associates is included within total assets.

Segmented Information – Geographic Locations

The Company presently has operations in three geographical locations. The following tables presents the Company's revenue and non-current assets by geographic areas. The allocation of revenue between geographic areas was determined by the location where the income was earned.

	For the three months ended		For the six months ended	
(expressed in thousands)	June 30, 2017 $	June 30, 2016 $	June 30, 2017 $	June 30, 2016 $
Revenues				
Canada	3,221	912	5,817	1,815
India	120	21	260	21
Africa	78	84	162	201
	3,419	**1,017**	**6,239**	**2,037**

As at (expressed in thousands)	June 30, 2017 $	December 31, 2016 $
Non-current assets		
Canada	36,548	27,438
Asia (United Arab Emirates)	3,487	4,270
India	308	722
	40,343	**32,430**

The revenues earned and assets held in Canada relate primarily to the Companies IIROC regulated entity, its wealth management platform and various other financial services and technology companies.

The revenues earned and assets held in India relate to the Company's 100% owned subsidiary, Luxury Quotient Intenational Inc, a technology platform which enables fashion brands and retail channels in India to interact with their customers and incentivize loyalty, and New India Investment Corp, which holds the companies investment in Innoviti Payments Solutions Private Limited.

Assets held in Asia (United Arab Emirates) relate to the non-consolidated but significant operations of entities within the Mint group of companies. The revenues earned in Africa relate to the net smelter return of 0.75% on an exploration project in Gabon, Africa.

CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT ACCOUNTING POLICIES

The preparation of these Financial Statements requires the Company to make judgments in applying its accounting policies and estimates and assumptions about the future. Judgments, estimates and assumptions affect the Company's reported amounts of assets, liabilities, and items in net income or loss, and related disclosure. Estimates are based on various assumptions that the Company believes are reasonable under the circumstances. These estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amounts of items in net earnings or loss that are not readily apparent from other sources. The Company evaluates its estimates on an ongoing basis. Actual results may differ from the Company's estimates.

Basis of consolidation

The Financial Statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities which the Company has power over decisions about relevant activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date on which control ceases. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the Company's policies. The purchase method of accounting is used to account for the acquisition of subsidiaries. Purchase consideration is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The transaction costs directly attributable to the acquisition are expensed. Identifiable assets acquired, as well as liabilities and contingent liabilities assumed in a business combination, are measured initially at their fair value on the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the purchase consideration over the fair value of the Company's share of the identifiable net assets acquired is recorded as goodwill. If the purchase consideration is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the consolidated statement of loss and comprehensive loss. Intercompany transactions and balances between subsidiaries are eliminated.

A summary of the significant judgments and estimates made by management, including evaluation of the going concern assumption, and a summary of the significant accounting policies used in the preparation of its financial information is provided within the Company's December 31, 2016 audited financial statements.

NEW IFRS ACCOUNTING PRONOUNCEMENTS

The following are future accounting policy changes which have not yet been adapted by the Company.

- *IFRS 9, Financial Instruments* amends the requirements for the measurement and classification of financial assets, impairment, and hedge accounting. IFRS 9 introduces provides further guidance on a model for impairment. IFRS 9 also simplifies the measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through profit or loss, and fair value through other comprehensive income (loss). IFRS 9 is available for early adoption. This pronouncement is effective for annual periods commencing on or after January 1, 2018.
- *IFRS 15, Revenue from Contracts with Customers* provides a methodology for determining the amount, nature, timing and uncertainty of revenue and cash flows arising from a contract with a customer. This pronouncement is effective for annual periods commencing on or after January 1, 2018.
- *IFRS 16, Leases* eliminates the distinction between operating and finance leases from the perspective of the lessee. Any contract that is defined as a lease, other than two very narrow exceptions, will be classified as a finance lease and recorded in the Statement of Financial Position. This pronouncement is effective for annual periods commencing on or after January 1, 2019.

The Company is currently accessing the impact, if any, of the above noted standards on its financial statements.

RISKS RELATED TO FINANCIAL INSTRUMENTS

The Company is exposed to various risks through its financial instruments and the following analysis provides a measure of these risks.

Credit risk: Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk is primarily related to trade and other receivables, debentures, loans

and convertible debentures held. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date, as summarized below:

Liquidity risk: Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations with financial liabilities that would be settled either by delivering cash or another financial asset. The Company has current assets of $54,741,453 which will be used to cover all operating and investing activities. The expected timing of consolidated cash flows relating to financial liabilities as at June 30, 2017, are as follows:

	Less than 1 year	1-5 years	6-10 years	Total
	$	$	$	$
Trade and other payables	7,938,166	-	-	7,938,166
Business acquisition cost payable	1,734,092	-	-	1,734,092
Debentures, at face value	3,452,000	89,042,962	54,022,000	146,516,962
	13,124,258	**89,042,962**	**54,022,000**	**156,189,220**

Market risk: Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the following three types of market risk: currency risk, interest rate risk and other price risk.

Currency risk: Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates relative to the Company's functional currency, the Canadian dollar. The Company does not hedge its foreign exchange risk. A ten percent (10%) change in the United States dollar exchange rate would have increased the net loss by $694,609 (December 31, 2016: $827,013).

Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk since some of the Company's debentures bear interest at a variable rate based on the earnings before interest expense and tax. Had the interest rate been one percent (1%) higher throughout the six months ended June 30, 2017, the net loss would have increased by $739,515 (June 30, 2016: $840,450).

Other price risk: The Company is exposed to fluctuations in the market prices of its investments in quoted companies. The fair value of the investments in quoted companies represents the maximum exposure to price risk. As at June 30, 2017, a 10% change in the closing price of common shares held by the Company on the stock market would have changed the total comprehensive loss by $639,515 (December 31, 2016: $685,959).

SUBSEQUENT EVENTS

Offer to Mint Class B Debenture Holders

The Company's proposal to the current debenture holders is as follows: in respect of each $1,000 principal amount of Series B Debentures: (i) $200.86 in cash plus 3,348 common shares of Mint, or (ii) 6,026 common shares of Mint. This offer expires at the close of business on August 31, 2017. Successful completion of this offer is conditional upon, amongst other things, approval of at least 66⅔% of the Series B Debentures outstanding, unless that condition is waived.

COMMITMENTS AND CONTINGENCIES

The Company has entered into agreement for the lease of premises. Future minimum lease payments aggregate to $1,905,477 and include the following future payments for the next year:

	June 30, 2017
	$
Less than 1 year	635,314
1 to 5 years	1,270,162

The Company has committed to invest an aggregate of US$7.5 million of funding to acquire a UAE Central Bank licensed financial company. As of June 30, 2017, the Company has advanced US$5.45 million ($7.33 million) as a deposit to secure the right to acquire the financial company.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable, but not absolute, assurance that all material information is obtained, analyzed and reported to senior management on a timely basis in order for management to make reasonable decisions regarding public disclosure.

The Company's certifying officers, the Chief Executive Officer and the Chief Financial Officer, have reviewed the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on their review, they have concluded that the Company's disclosure controls and procedures, as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings of the Canadian Securities Regulators, were effective and provide reasonable assurance that information required to be disclosed in interim, annual and special filings are submitted under Canadian securities laws and are recorded, processed, summarized and reported in a timely fashion.

MANAGING RISK

Except as otherwise disclosed in this MD&A and in the Company's Financial Statements for the three and six-month period ended June 30, 2017, there have been no significant changes to the nature and scope of the risks faced by the Company.

Readers are referred to the more detailed information described in other disclosure documents filed with the applicable Canadian securities regulatory authorities and available at www.sedar.com.

Dated: Toronto, August 24, 2017