

PARCELPAL TECHNOLOGY INC.

Management Discussion and Analysis (“MD&A”)

For the nine months ended September 30, 2017

As at November 29, 2017

BACKGROUND AND GOING CONCERN

For the period ended September 30, 2017, ParcelPal Technology Inc. (“the Company”) has prepared this management discussion following the requirements of National Instrument 51-102 (“NI-51-102”) and should be read in conjunction with the unaudited condensed consolidated interim financial statements and accompanying notes for the period ended September 30, 2017 prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional regulatory filings for the Company can be found on the SEDAR website at www.sedar.com.

The reader should also refer to the audited consolidated financial statements for the year ended December 31, 2016.

The incorporation jurisdiction of ParcelPal Technology Inc. is British Columbia.

The focus of the Company is to leverage technology to provide innovative services and products. The Company is currently focusing its efforts on acquiring technologies, including the recent acquisition of the ParcelPal app. The Company also has certain rights to the TraderOS Platform.

The TraderOS Platform is a social collaborative charting, news and communication platform. The platform’s online environment for traders and investors consolidates their information needs into a single location. Traders can communicate with peers in real-time through chat and instant messaging. Aggregated content from blogs, other social platforms (i.e. Twitter™), and articles and multimedia across the web can be accessed seamlessly within the platform environment. Users can monitor other traders on their premium content feed, view charts and articles posted by others, stream real-time financial news, and monitor stock quotes. The platform will allow traders to collaborate and share trading ideas and information with the entire user base or selected groups giving them access to a “virtual trading floor”.

The Company announced an exciting new partnership with an emerging online ordering platform provider based out of Texas, USA.

The company currently provides an online solution for restaurants and liquor stores to enable consumers to order food and alcohol through a merchant’s website. They have spent considerable time and effort to streamline the online ordering process by; developing technology to bypass point of sale integrations, eliminate expensive implementations, and reduce the overhead that hold restaurants back from offering an online menu; making an online commerce presence cheaper and easier – available to even the smallest businesses.

The Company is experiencing growth in the Vancouver market, and this alliance will step that up and enable the Company’s expansion into major cities across Canada, and ultimately, the US and abroad. “The Company is experiencing rapid growth in Vancouver and we are eager to bring the Company to major cities across Canada and the United States. This alliance will further allow us to enable thousands of businesses in North America to become part of the “shared economy” and is our first step towards expanding our Canadian footprint, and moving into the United States. We will be dramatically increasing options for consumers and creating new business for our corporate customers.” says Kelly Abbott, the president.

In January, 2017, the Company announced an industry first, with the launch of what is believed to be the world's only integrated technology that connects marijuana dispensaries to their patients, allowing customers to purchase federally regulated medical marijuana and have it delivered within an hour.

The Company’s feature-rich solution consists of an online ordering platform and cashless payment system that will let patients select their choice of product and have it delivered within an hour. The ordering and delivery platform use advanced data encryption between the Company, the merchant and consumer to ensure the security and privacy

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

of the patient and merchant. The solution is designed for quick implementation; allowing dispensaries to take advantage of multichannel sales and increase their on-line presence.

The Company also announced they have exclusively partnered with one of Canada’s largest medical marijuana dispensary chains. They currently have over 15 locations in operation across Canada, and are expected to have over 100 dispensary locations by December 31, 2017.

In February 2017, the Company announced a partnership with North Shore Liquor Shop and Sapperton Liquor Store to offer Vancouver area customers on demand delivery of wine, hard liquor and beer. North Shore and New Westminister residents can now get alcohol delivered straight to their door steps in as little as one hour.

The Company also announced that the company’s plug-in has been removed from the beta status on the Shopify (NYSE:SHOP) (TSX:SH) app store and is readily available for download by any Shopify enabled merchant.

In February 2017, the Company announced, as part of its ongoing commercial launch, that its integrated technology solution for private liquor stores and craft breweries has been completed and is rolling out live into the Vancouver market in the coming weeks.

The Company is the first integrated on-demand delivery option in Canada for this billion-dollar industry. With the Company, private liquor stores and breweries can provide a ‘direct-to-home’ online marketplace, customized to their specific needs and branding. Liquor stores and craft breweries will have a new channel, and broaden their marketing reach and consumers will find themselves with more choice. More importantly, consumers will be able to find what they need with a click of a mouse and get it delivered straight to their door within an hour of ordering.

In March 2017, the Company announced the beta launch of their WooCommerce plug-in. The beta test will be available to WooCommerce merchants located in Vancouver, British Columbia, Canada. The select merchants are now able to directly integrate the Company into their shopping cart or check out process to make the Company the on demand shipping option for their customers.

In March 2017, the Company announced the launch of extensive marketing initiatives in preparation of its expansion to Toronto. As the Company continues its expansion, it has begun recruitment of couriers in Canadian cities through a highly targeted digital marketing campaign, focusing on users already working in the sharing economy and businesses in each vertical we feel would immediately see the benefits of offering on-demand delivery to their customers.

In addition, the Company’s social media campaigns on Facebook, Twitter and Instagram are designed to promote and educate consumers on the benefits of using the Company and to market the food, marijuana, alcohol and retail items of our business partners.

Furthermore, the Company announces the final stage of its development of the marketplace app, which will proceed to beta. This app will allow consumers to order directly from their smart phone and have items delivered within an hour. By creating a marketplace where consumers can purchase anything from anyone without having to open new sites or apps, the Company is able to increase the customer base for participating businesses.

In March 2017, the Company announced that they signed a medical marijuana dispensary chain in Toronto Canada, that currently operates six dispensaries. These dispensaries are taking advantage of the Company’s technology solution to provide their customers with an on-demand delivery experience. The Company expects to begin service in the greater Toronto Area imminently. With the 15 store nation-wide dispensary chain, the 5 Vancouver dispensaries, and now, this Toronto based chain, the Company now has over 25 medical marijuana dispensaries signed up across Canada.

In March 2017, the Company announced the adoption by its board of directors of an advance notice policy (the “Advance Notice Policy”) regarding director elections.

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

The purpose of the Advance Notice Policy is to provide a clear process for the shareholders, directors and management to follow when nominating directors of the Company. Such a policy will ensure that shareholders receive adequate notice of director nominations and sufficient information regarding all director nominees and to allow shareholders to register an informed vote after having been afforded reasonable time for appropriate deliberation.

The Advance Notice Policy, among other things, includes a provision that requires advance notice to the Company in certain circumstances where nominations of persons for election to the board of directors are made by shareholders of the Company. The Advance Notice Policy also sets a deadline by which director nominations must be submitted to the Company prior to any annual general or special meeting of the shareholders and also sets out the required information that must be included in the notice to the Company. No person will be eligible for election as a director of the Company unless nominated in accordance with the Advance Notice Policy.

In the case of an annual general meeting of the shareholders, notice to the Company must be made not less than 30 days prior to the date of the annual general meeting. If the annual general meeting is being held on a date that is less than 50 days following the date on which the first public announcement of the meeting was made, notice may be made not later than the close of business on the tenth day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual general meeting) called for the purpose of electing directors, notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made. Notwithstanding the foregoing, the board of directors may, in its sole discretion, waive any requirement of the Advance Notice Policy.

The Advance Notice Policy is now in effect and will apply in connection with the Company’s next annual general meeting (the “Shareholders’ Meeting”). The Company intends to seek shareholder approval and ratification of the Advance Notice Policy at the Shareholders’ Meeting. If the Advance Notice Policy is not ratified by ordinary resolution of the Company’s shareholders at the Shareholders’ Meeting, then it will terminate and be void and of no further force or effect following the termination of the Shareholders’ Meeting.

In April 2017, the Company announced the final stages of development of their anticipated consumer application which is set for beta testing in the coming weeks. The Company is aiming into an additional market by focusing on the \$60 billion dollar consumer dining in North America. Select beta test users will be able to order from their favorite restaurants through The Company and have the food delivered to their doorsteps within an hour with a tap of the app.

This is the first phase of the application and will consist of launching with restaurants in the Vancouver area and move into other areas of retail goods in future versions. The app is set to become a full marketplace where consumers can order ‘virtually anything’ and have it delivered to them in an hour or less. In anticipation of the launch, ParcelPal is expecting to have more than 100 restaurants available for consumers to select and order from.

In May 2017, the Company announced that it has engaged InvestorIdeas.com to provide PR, social media and news publication services pursuant to a consulting agreement dated May 11, 2017.

The agreement has an initial 2-month term and is renewable at the mutual agreement of both parties. The Company has entered into a consulting agreement with InvestorIdeas.com for compensation of \$1,000 per month and has been granted incentive options to purchase 200,000 shares at a price of \$0.10 per share. The options will be governed by the provisions of ParcelPal’s stock option plan and are exercisable for a period of two years from the date of grant.

In May 2017, the Company announced their launch into private beta with their unique and exciting iOS mobile on-demand delivery application. The application will handle all aspects of food delivery logistics by bringing the restaurants and customers together on one single platform.

The application will beta test with approximately 20 select restaurants and gradually activate over 100+ restaurants prior to the full public release. Select beta test users will be able to order from their favorite restaurants through

PARCELPAL TECHNOLOGY INC.

Management Discussion and Analysis (“MD&A”)

For the nine months ended September 30, 2017

ParcelPal and have the food delivered to their doorsteps within an hour or less with a tap of the app. Management expects the application to launch with over 150 restaurants, dozens of liquor stores and will add more to their platform every day.

This entry into the quick service restaurant market, adds significant value to the ParcelPal platform, opening up a massive market of delivery and potential revenue streams. The first phase of the application will consist of launching with food delivery from local Vancouver restaurants. Shortly after, ParcelPal will expand their offerings with the addition of alcohol, retail and a ‘corner store’ feature to their platform. The app is set to become Canada’s first mobile marketplace whereby users can order ‘virtually anything’ and have it delivered to them within an hour.

In June 2017, the Company announced the expansion of restaurant offerings in downtown Vancouver. The recent beta launch of their iOS application, has been testing with private users in the City of Vancouver with 20 restaurants and has quickly gained success. As a result, The Company has announced today that they will be expanding their offerings and adding 50 additional restaurants within the downtown Vancouver region to their platform. The iOS application currently handles all aspects of food delivery by bringing the restaurants and customers together on one single platform.

In June 2017, the Company announced that they have successfully tested and have begun facilitating the delivery of medical cannabis to patients across Vancouver through a strategic partnership with the premium online dispensary, Birch + Fog (www.birchandfog.com).

Canada plans to legalize recreational cannabis before July 1, 2018, and the industry continues to steal headlines as this has created great opportunity for both companies and investors alike. In the green rush, the investment community has primarily been focused on the cannabis producers. It has been widely speculated that the market will soon sway to ancillary businesses that support and facilitate both the production and distribution of cannabis. With full legalization pending, and a relatively unsophisticated and progressive business space, the cannabis industry will reward those that can solidify their supply chain and increase their online presence to reach potential and returning customers.

With the ParcelPal integration, a simple click on the "add-to-cart" button and consumers are ready to check out just as if they were ordering a product from any other online store, with the addition of having the product delivered to them within the hour.

In July 2017, the Company announced the official launch of the ParcelPal’s iOS consumer on-demand delivery application.

Following the Company’s previous announcement on May 24th, 2017 regarding the beta launch of ParcelPal’s iOS on-demand delivery app, the Company has made the app readily available for download to the public on the Apple App store. The ParcelPal app can be found here: <https://appsto.re/ca/10Thdb.i>

The ParcelPal app was beta tested from late May to the beginning of July. The beta test included over 100 users and 100 Vancouver restaurants. Select beta test users were able to order from their favorite restaurants through ParcelPal and have the food delivered to their doorsteps within an hour or less with a tap of the app.

The first phase of the application is launching with food delivery and will soon offer other verticals of delivery such as alcohol, retail, and a ‘go get it’ feature where users can order virtually anything and have it delivered in under an hour. This entry into the quick service restaurant market adds significant value to the ParcelPal platform, opening up a massive market of delivery and potential revenue streams. ParcelPal has now expanded their operational hours to seven days a week and into evenings. The Company has increased marketing efforts locally aiming at everyday Vancouverites.

PARCELPAL TECHNOLOGY INC.

Management Discussion and Analysis (“MD&A”)

For the nine months ended September 30, 2017

GOING CONCERN

The Company has financed its operations through equity issuances. The Company had a net loss of \$743,963 for the period ended September 30, 2017 (2016 – \$621,787) and has a deficit of \$3,085,217 as at September 30, 2017 (December 31, 2016 – \$2,341,254).

The Company has incurred significant operating losses and negative cash flows from operations in recent years, and has a working capital deficiency. As a result of the foregoing, there is significant doubt about the Company's ability to continue as a going concern. The consolidated financial statements were prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Whether and when the Company can attain profitability and positive cash flows is uncertain. The Company is working to expand its operations and it is expected that the Company's liquidity will fluctuate as a result of any expansion. The fee structure for the services offered by the Company is expected to remain constant for the foreseeable future.

The continuation of the Company as a going concern is dependent upon completing a short-term financing for sufficient working capital to maintain operations, reducing operating expenses, and increasing revenues and commencing profitable operations in the future. Risks that may materially affect the Company's future performance include: the possibility of discontinuance of operations of the Company, the risk that the Company is unable to find suitable investors for a financing, the risk that the Company will not be able to expand operations, the risk that the Company will not be successful due to general risks relating to the mobile application industry, the failure of the Company's app to gain market acceptance, potential challenges to the intellectual property utilized in the Company's app, and competition risks. The Company recognizes the threats posed by operating in an uncertain global economic environment. This uncertainty may continue to impact the Company's industry, resulting in a lower demand for some of its services and its partners' products.

The Company is in its growth phase and it is expected that the Company will continue to incur losses until significant revenues are generated as management executes its business plan. The Company began generating revenue in the period ending September 30, 2017; however, the Company did not achieve a positive cash flow.

The Company manages liquidity risk by maintaining sufficient cash balances and adjusting the operating budget and expenditures to ensure that there is sufficient capital in order to meet short-term and other specific obligations. The Company plans to control spending and prudently allocate financial resources to optimize value. The Company will seek additional financing through equity financings until the Company reaches profitability. In order to increase sales, the Company intends to ensure that the service provided meets the needs of existing and potential customers and is competitively priced. The Company plans to continue to develop, innovate and continuously improve current and new technologies in a timely and cost effective manner. While management believes that the likelihood of completing these plans is high, a new financing has not yet been completed and there is no assurance that it will be. Management recognizes the risks that are involved that may be beyond its control. Without this financing the Company may not have sufficient financial resources to meet its planned operations for the foreseeable future and be forced to cease operations.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

FORWARD LOOKING STATEMENTS

This MD&A includes certain “forward-looking information” and “forward-looking statements” (collectively “forward-looking statements”) within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein, without limitation, statements relating the future business operations of the Company, are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as “plans”, “expects”, “anticipates”, “believes”, “intends”, “estimates”, “potential”, “possible”, and similar expressions, or statements that events, conditions, or results “will”, “may”, “could”, or “should” occur or be achieved. Forward-looking statements in this MD&A relate to, among other things, the Company expanding into additional markets, management's expectations regarding the liquidity of the Company,

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

the Company’s fee structure, and the Company’s plans with respect to managing liquidity risk. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the respective parties, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies.

There can be no assurance that such forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the nascent branding, social media technology, which is affected by numerous factors beyond the Company’s control; the Company’s ability to succeed in the North American market; and access to debt and equity; and the early stage of the Company’s business. The Company is subject to the risks associated with early stage companies, including uncertainty of revenues, markets and profitability and the ability to access debt or equity financing, as necessary. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

All material assumptions used in making forward-looking statements are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including their knowledge of the current sales trends, general economic conditions affecting the Company and the Canadian and US economies. Certain material factors or assumptions are applied by the Company in making forward-looking statements, including without limitation, factors and assumptions regarding the Company’s continued ability to fund its business, rates of customer defaults, acceptance of its products in the current marketplace and acceptance of its products in other marketplaces, as well as its operating cost structure and current and future trends in social media advertising and traditional print media. Although the Company believes the assumptions used to make such statements are reasonable at this time, there may be other factors that cause results not to be as anticipated, estimated or intended.

Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

SUMMARY OF QUATERLY RESULTS

Following is a table of the income, total assets, operating loss for the past eight quarters.

| For the three months ended | | | | |
|-----------------------------------|-------------------------------|--------------------------|---------------------------|------------------------------|
| | September 30, 2017 | June 30, 2017 | March 31, 2017 | December 31, 2016 |
| Gross profit | \$ 3,693 | \$ 5,951 | \$ 4,256 | \$ 5,453 |
| Total assets | 88,056 | 125,153 | 236,177 | 261,710 |
| Operating loss | (156,597) | (304,627) | (296,639) | (360,100) |
| Net loss | (152,904) | (298,676) | (292,383) | (354,647) |
| Loss per share | (0.01) | (0.01) | (0.01) | (0.01) |
| Dividends | - | - | - | - |
| | September 30, 2016 | June 30, 2016 | March 31, 2016 | December 31, 2015 |
| Gross profit | \$ 4,759 | \$ 2,280 | \$ Nil | \$ Nil |
| Total assets | 190,227 | 216,994 | 362,353 | 320,761 |
| Operating loss | (198,421) | (229,689) | (170,716) | (125,281) |
| Net loss | (193,662) | (227,409) | (170,716) | (125,281) |
| Loss per share | (0.01) | (0.01) | (0.01) | (0.01) |
| Dividends | - | - | - | - |

The Company had revenues of \$14,888 during the period and incurred a gross profit of \$13,900 during the period ended September 30, 2017. Expenses in September 30, 2017 primarily consisted of professional fees, consulting fees, office and miscellaneous and share-based compensation. Costs increased mainly as a result of consulting fees paid to developers and share-based compensation paid to key management personnel and consultants.

SELECTED QUARTER RESULTS

In the nine months ended September 30, 2017, compared to the nine months ended September 30, 2016, the Company’s operating expenses increased to \$757,863 from \$628,826.

- i) Consulting fees decreased to \$153,151 (2016 - \$263,815) due to decreased number of consultants in the current period.
- ii) Investor relations increased to \$119,836 (2016 - \$7,400) due to increased promotional activities during the current period.
- iii) Management fees decreased to \$69,000 (2016 - \$90,000) due to decreased fees to officers in the Company during the current period.
- iv) Share-based compensation increased to \$237,646 (2016 - \$68,976) due to stock options being granted during the current period.

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

In the three months ended September 30, 2017, compared to the three months ended September 30, 2016, the Company’s operating expenses increased to \$156,597 from \$198,421.

- i) Consulting fees decreased to \$27,080 (2016 - \$52,892) due to decreased number of consultants in the current period.
- ii) Management fees decreased to \$19,000 (2016 - \$30,000) due to decreased fees to officers in the Company during the current period.
- iii) Share-based compensation increased to \$54,195 (2016 - \$33,259) due to stock options granted being during the current period.

INTANGIBLE ASSETS

During the year ended December 31, 2015, the Company acquired \$100,000 of application software through an acquisition and paid \$10,000 cash. During the year ended December 31, 2016, the Company determined the application software to be in use and began amortizing the intangible asset.

| | Application Software |
|-------------------------------------|---------------------------------|
| Cost | |
| As at December 31, 2016 | \$ 110,000 |
| Additions | - |
| As at September 30, 2017 | \$ 110,000 |
| Accumulated amortization | |
| As at December 31, 2016 | \$ 18,300 |
| Amortization | 27,300 |
| As at September 30, 2017 | \$ 45,600 |
| Net book value | |
| As at December 31, 2016 | \$ 91,700 |
| As at September 30, 2017 | \$ 64,400 |

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2017 the Company had net working capital deficiency of \$135,438 compared to a net working capital of \$94,188 as at December 31, 2016.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The Company has material financial uncertainties that cast significant doubt upon the Company’s ability to continue as a going concern.

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

RELATED PARTY DISCLOSURES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel is as follows:

| | September 30, 2017 | September 30, 2016 |
|--------------------------|--------------------|--------------------|
| Consulting fees | \$ 31,655 | \$ - |
| Management fees | 24,000 | 45,000 |
| Share-based compensation | 62,229 | 33,259 |

As at September 30, 2017, \$14,377 (December 31, 2016 - \$1,250) owing to related parties, comprised of \$Nil (December 31, 2016 - \$1,250) to the former CEO of the Company, \$4,519 (December 31, 2016 - \$Nil) to the director of the Company, and \$9,858 (December 31, 2016 - \$Nil) to the CEO of the Company is included in accounts payable in relation to transactions with related parties, which are non-interest bearing, unsecured and due on demand. Additionally, the CEO of the Company made advances to the Company of \$25,077 (December 31, 2016 - \$Nil) during the period ended September 30, 2017.

Equity:

Period ended September 30, 2017:

On March 31, 2017, the Company has issued 97,222 units pursuant to debt settlement agreement entered into with their former CEO on March 30, 2017. Each unit consists of one common share and one-half of one share purchase warrant, which entitles the holder to purchase one additional common share of the Company at price of \$0.30 per share for a period of 18 months from the date of issuance.

On March 31, 2017, the Company issued 55,500 units of the Company to their former CEO for gross proceeds of \$9,990. Each unit consists of one common share and one share purchase warrant, which entitles the holder to purchase one additional common share of the Company at a price of \$0.30 per share for a period of 18 months.

CAPITAL MANAGEMENT

The Company defines capital that it manages as its shareholders' equity. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development of a social collaborative charting, news and communication platform for traders. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes to the Company's approach to capital management during the period ended September 30, 2017.

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

| | September 30, 2017 | | December 31, 2016 |
|------------------------|---------------------------|----|--------------------------|
| Loans and receivables: | | | |
| Cash | \$ 2,040 | \$ | 149,816 |
| Deposits | - | | 1,406 |
| | \$ 2,040 | \$ | 151,222 |

Financial liabilities included in the statement of financial position are as follows:

| | September 30, 2017 | | December 31, 2016 |
|---------------------------------------|---------------------------|----|--------------------------|
| Non-derivative financial liabilities: | | | |
| Accounts payable | \$ 107,976 | \$ | 59,420 |
| | \$ 107,976 | \$ | 59,420 |

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The carrying value of Company’s financial assets and liabilities as at September 30, 2017 and December 31, 2016 approximate their fair value due to their short terms to maturity.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

The Company is exposed to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company’s cash is held in large Canadian financial institutions and is not exposed to significant credit risk. Trade payables are generally insignificant.

Interest risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk.

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company’s ability to continue as a going concern is dependent on management’s ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

Foreign exchange risk

The Company’s functional currency is the Canadian Dollar and major transactions are transacted in Canadian Dollars and US Dollars. The Company maintains a US Dollar bank account in Canada to support the cash needs of its operations. Management believes that the foreign exchange risk related to currency conversion is minimal and therefore does not hedge its foreign exchange risk.

Capital Management

The Company defines capital that it manages as its shareholders’ equity. When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the development of a social collaborative charting, news and communication platform for traders. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company’s management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes to the Company’s approach to capital management during the period ended September 30, 2017.

CRITICAL ACCOUNTING ESTIMATES, ADOPTION OF ACCOUNTING POLICIES AND ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET ADOPTED

Please refer to the September 30, 2017 condensed consolidated interim financial statements on www.sedar.com for details.

OUTSTANDING SECURITIES

Common Shares

At November 29, 2017, the Company had 48,180,280 common shares outstanding.

PARCELPAL TECHNOLOGY INC.
Management Discussion and Analysis (“MD&A”)
For the nine months ended September 30, 2017

Stock Options

As at November 29, 2017, the following options were outstanding and exercisable:

| Expiry Date | Number Outstanding | | Exercise Price |
|--------------------|---------------------------|----|-----------------------|
| November 6, 2018 | 200,000 | \$ | 0.05 |
| December 18, 2018 | 5,000 | \$ | 0.10 |
| February 5, 2019 | 125,000 | \$ | 0.15 |
| April 21, 2019 | 25,000 | \$ | 0.26 |
| May 10, 2019 | 150,000 | \$ | 0.10 |
| July 5, 2019 | 200,000 | \$ | 0.23 |
| November 18, 2019 | 500,000 | \$ | 0.12 |
| December 8, 2019 | 400,000 | \$ | 0.19 |
| December 12, 2019 | 30,000 | \$ | 0.20 |
| January 5, 2020 | 100,000 | \$ | 0.20 |
| May 5, 2020 | 100,000 | \$ | 0.14 |
| June 1, 2020 | 800,000 | \$ | 0.16 |
| June 20, 2020 | 200,000 | \$ | 0.11 |
| October 11, 2022 | 300,000 | \$ | 0.08 |
| November 14, 2022 | 100,000 | \$ | 0.10 |
| | 3,235,000 | | |

Common Share Warrants

As at November 29, 2017, the following share purchase warrants were outstanding and exercisable:

| Expiry Date | Number Outstanding | | Exercise Price |
|--------------------|---------------------------|----|-----------------------|
| January 15, 2018 | 634,523 | \$ | 0.30 |
| September 30, 2018 | 528,861 | \$ | 0.30 |
| October 10, 2019 | 1,256,480 | \$ | 0.075 |
| October 19, 2019 | 6,328,250 | \$ | 0.075 |
| | 8,748,114 | | |

OFF-BALANCE-SHEET ARRANGEMENTS

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

CHANGE IN MANAGEMENT

On April 18, 2017, the Company announced the appointment of Kelly Abbott as the Company’s Chief Executive Officer. Mr. Abbott replaces Jason Moreau, one of the founders of the Company, who will remain as the chairman and a director of the Company.

On May 9, 2017, the Company announced the appointment of Peter Hinam to its board of directors.