

**RBI Ventures Ltd.**  
**(formerly Russell Breweries Inc.)**  
**Management's Discussion and Analysis**  
**For the three months ended September 30, 2020**

This Management's Discussion and Analysis ("MD&A") of RBI Ventures Ltd. (the "Company") dated November 30, 2020 provides an analysis of its results of operation and financial condition for the three months ended September 30, 2020. This MD&A should be read in conjunction with the unaudited consolidated financial statements for the three months ended September 30, 2020, and the audited consolidated financial statements and accompanying notes for the year ended June 30, 2020. Additional information related to RBI Ventures Inc. is available on SEDAR at [www.sedar.com](http://www.sedar.com).

The financial statements and related notes of the Company for the three months ended September 30, 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial amounts in this MD&A are in Canadian dollars.

This MD&A was approved and authorized for issuance by the Board of Directors on November 30, 2020.

#### **FORWARD LOOKING STATEMENTS**

*This report contains forward-looking information that is based on the Company's plans, intentions and expectations. By definition, forward-looking information involves risks, uncertainties and assumptions and is not a guarantee of future performance. Actual results could differ significantly from those anticipated, and hence investors should use caution when considering this information and not to put undue reliance on forward-looking statements.*

#### **OVERVIEW**

The Company ceased operating in 2017 and sold its assets, distributing net proceeds to the shareholders in 2018.

During the fiscal year ended June 30, 2019 the Company changed its name to RBI Ventures Ltd. and completed a consolidation of its common shares on the basis of one post consolidation share for each twenty-five issued and outstanding pre-consolidation shares.

The Company is currently in negotiation to purchase Tevano Payment Systems Inc. (see-Commitment section below).

#### **GOING CONCERN**

As the Company does not carry on active business, its continuation is dependent on its ability to raise adequate financing and commence profitable operations in the future. There is no guarantee that this will occur.

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**PERFORMANCE AND RESULTS**

**Summary of Quarterly Results**

<b>Fiscal Year</b>	<b>2021</b>	<b>2020</b>				<b>2019</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>
(in \$000, except per share amounts)	\$	\$	\$	\$	\$	\$	\$	\$
Net revenues	-	-	-	-	-	-	-	-
Net income (loss) before discontinued operations	8	10	(11)	(13)	(3)	(11)	(17)	(26)
Net income (loss)	8	10	(11)	(13)	(3)	48	(17)	(26)
Net earnings (loss) per share – basic and diluted:								
Continuing operations	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.01)
Discontinuing operations	0.00	(0.00)	(0.00)	(0.00)	(0.00)	0.02	(0.00)	(0.00)

**Three months ended September 30, 2020**

The net and comprehensive income for the three months ending September 30, 2020 was \$8,300 compared to a loss \$3,300 for the same period in the previous year. As noted in the Commitment section below, \$15,000 was received as other income from Tevano Payment Systems Inc. General and administrative expenses were \$3,400 higher due to regulatory costs being unusually low in the prior period due to the misclassification of a previous deposit.

**LIQUIDITY AND CAPITAL RESOURCES**

**Financial Condition**

At September 30, 2020, the Company had a working capital deficiency of \$91,461 and lacks sufficient assets to settle all of its liabilities.

**Cash Flow**

Cash generated from operations was \$8,296, which was due to the receipt of a \$15,000 non-refundable deposit from Tevano Payment Systems Inc. and a \$10,028 decrease in accounts payable.

**Capital Management**

The Company manages its capital structure in order to ensure sufficient resources are available to meet operational requirements and that the Company continues as a going concern.

**Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

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**COMMITMENT**

On January 31, 2020, the Company entered into an agreement dated January 8, 2020 to acquire Tevano Payment Systems Inc. ("Tevano"), a company that has developed an AI driven tablet interface that scans and measures a user's body temperature as part of building access control. The transaction is subject to conditions, including completion of due diligence investigations and the negotiation of definite agreements as well as various regulatory and shareholder approvals.

The advent of the Covid-19 pandemic caused re-direction of the parties' efforts and priorities resulting in little progress in finalizing the acquisition. To assist the Company in the interim period Tevano has provided the Company a non-refundable \$15,000 deposit in June 2020 and a further \$15,000 in September 2020. These amounts are recorded as other income.

An amalgamation agreement (the "Transaction") was signed on September 18, 2020 with each of Tevano and 1251858 BC Ltd. a newly incorporated subsidiary of the RBI. Pursuant to this three-cornered amalgamation, RBI will acquire all the issued securities of Tevano in exchange for securities of RBI. RBI will continue Tevano's business resulting in a change of business requiring RBI to delist from the TSX Venture Exchange ("TSXV") and re-list on the Canadian Securities Exchange ("CSE"). Until the CSE accepts the listing, trading in the Company's shares will be suspended.

The terms of the Transaction are as follows:

- Tevano will advance to RBI non-refundable payments of \$30,000.
- RBI will consolidate its current 3,483,351 common shares on a 3.5-to-1 basis, such that it will have 995,243 post-consolidated common shares outstanding.
- Tevano will complete a private placement to raise not less than \$2,000,000 to a maximum of \$6,000,000 through the issuance of shares of Tevano at \$0.20 per share.
- Upon raising \$3,000,000, Tevano will advance to RBI a deposit of \$100,000 for it to settle its outstanding liabilities, so that at closing RBI will have no debts, other than a maximum \$25,000 Transaction costs which Tevano will pay.
- The Company's Board of Directors, and its senior officers will be replaced with representatives nominated by Tevano.
- The parties will enter into agreements to complete the Transaction in the most tax efficient means.

The Transaction will be completed by RBI issuing one post-consolidated RBI share to the holders of Tevano shares (including those issued pursuant to the financing) for each Tevano share outstanding; and issuing warrants to acquire post-consolidated RBI shares to the holders of Tevano warrants, on a one-for-one basis, exercisable on equivalent terms. Tevano, excluding any securities issued in the financing, has outstanding 41,470,830 shares and 5,017,499 warrants. Tevano may issue an additional 10,000,000 to 30,000,000 shares under its proposed financing depending on the amount raised and may issue warrants to brokers assisting with the financing. Certain matters related to Transaction, including transferring the listed shares to the CSE, will be subject to shareholders' approval. The Company has called an Annual and Special Meeting of Shareholders to be held on December 4, 2020 to seek approval to delist from the TSX Venture Exchange, subject to the discretion of the Directors.

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## **RELATED PARTIES**

The Company has identified its directors and certain senior officers and companies related to them as related parties. Compensation costs are recorded at their exchange amounts as agreed upon by transacting parties.

There were no related party compensation costs for the three months ended September 30, 2020 and 2019.

During the year ended June 30, 2019 the Directors loaned the Company \$47,000 which is outstanding at September 30, 2020 and 2019. The loans are unsecured, bear no interest and have no fixed repayment term.

## **ADOPTION OF NEW ACCOUNTING STANDARDS**

### **Newly adopted Accounting Standards**

During the year ended June 30, 2020 the Company adopted IFRS 16, "Leases" effective July 1, 2019. This standard sets out a new model for lease accounting, bringing off-balance sheet leasing arrangements onto the balance sheet. For lessees applying the new standard, a single recognition and measurement model for leases would apply, with required recognition of assets and liabilities for most leases. The adoption of this standard did not have an impact on the Company's financial position as it has no leases in place.

### **Future changes in Accounting Standards**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for future accounting periods. There are no new standards, amendments or interpretations that may have an impact on the Company's consolidated financial statements. As a result, updates that are not applicable or consequential to the Company have not been presented.

## **CRITICAL ACCOUNTING ESTIMATES**

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses for the reporting period. Significant areas requiring the use of management estimates may include recovery of accounts receivable, valuation of deferred tax assets and liabilities and estimates used in calculating share-based compensation. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Actual results could differ from management's best estimates as additional information becomes available.

### **Significant Estimates**

The accounting for accounts receivable, amount attributable to the stock option holders, valuation of share-based payments, valuation of deferred income tax assets and liabilities and deferred income tax rates requires that management makes estimates regarding valuation and collectability of accounts receivable. Actual results could differ from the estimates made.

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**FINANCIAL INSTRUMENTS, FAIR VALUE MEASUREMENTS AND FINANCIAL RISKS**

**(a) Fair Values of Financial Instruments**

The carrying values of cash and cash equivalents, accounts receivable, restricted term deposits, accounts payable, and due to related parties are reasonable estimates of fair values due to the relatively short periods to maturity and the commercial terms of these instruments.

**(b) Fair Value Measurements**

Certain of the Company's financial assets and liabilities are measured at fair value on a recurring basis and classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Certain non-financial assets and liabilities may also be measured at fair value on a non-recurring basis. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The levels and the valuation techniques used to value the Company's financial assets and liabilities are described below:

Level 1 - Quoted Prices in Active Markets for Identical Assets:

Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Significant Other Observable Inputs:

Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Significant Unobservable Inputs:

Unobservable (supported by little or no market activity) inputs.

At September 30, 2020 the Company's cash and cash equivalents balance \$19,513 is valued using Level 1 inputs.