LOOPShare Ltd. (formerly Kenna Resources Corp.)

MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (this "**MD&A**") is dated May 1, 2017 and is intended to assist the reader in understanding the results of operations and financial condition of LOOPShare Ltd., the "Company" or "LOOPShare"). This MD&A should be read in conjunction with the following information that can be obtained from www.sedar.com:

(i) the Company's audited consolidated financial statements for the year ended December 31, 2016 and accompanying notes; and
(ii) The Filing Statement of the Company dated the 29th day of May, 2016.

Unless otherwise noted, results are reported in Canadian dollars, which is the Company's functional currency, and are reported in accordance with International Financial Reporting Standards ("**IFRS**"). References to USD are references to United States dollars.

CAUTION ON FORWARD-LOOKING INFORMATION

This MD&A contains certain "forward-looking information" and "forward-looking statements" (collectively "**forward-looking statements**") within the meaning of applicable Canadian securities legislation. When we discuss our strategy, plans, outlook, future financial and operating performance, financing plans, growth in cash flow and other events and developments that have not yet happened, we are making forward-looking statements. All statements in this MD&A that address events or developments that we expect to occur in the future are forward-looking statements, including the following:

- our intention to ship scooters equipped with our devices directly from the manufacturer;
- the development and capabilities of LOOPShare (as defined herein) platform to enable scooter sharing operations;
- our plan to launch operations by partnering with operators worldwide;
- our plan to continue the development of our devices to provide for manufacturing cost savings;
- our plan to customize the Vmoto (as defined herein) scooter;
- our plan to obtain certification of the SVD400G device (as defined herein);
- our plan to commence additional scooter sharing field trials;
- plans to run a scooter technical trial in Japan, plans to license and integrate the WebTrack software, our plan to develop hardware enhancements, new hardware products, and new software in order to continue to provide leading edge technology;
- our expectations in relation to the Berytech Business Arrangement (as defined herein);
- our expectations in relation to working capital;
- our expectations in relation to our future financial needs;
- our expectations in relation to a business arrangement with Loop (as defined herein);
- additional advances from BTFII (as defined herein) and the issuance of additional Berytech Warrants (as defined herein);
- our expectations regarding our OEM (as defined herein) customers and completing such customers' orders; and our expectations in relation to competition and foreign currencies.

Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as "expect", "plan", "anticipate", "project", "target", "potential", “schedule”, “forecast”, “budget”, “estimate”, “intend” or “believe” and similar expressions or their negative connotations, or that events or conditions “will”, “would”, “may”, “could”, “should” or “might” occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond the Company’s control, including the following:

- our dependence on suppliers and customers;
- our untested business model;
- our ability to attract qualified operators;
- the competitive nature of the transportation sharing market; our ability to manage our growth;
- geopolitical risks;
- exchange rate risks;
- regulatory risks;
- our future operations;
- our dependence on key personnel; dilution to present and prospective shareholders;
- the lack of a market for our securities; and
- our share price.

As we are entering into a new business segment, future operations are uncertain and there is a risk that there will be a limited market for our services. In addition, operational challenges such as licensing, regulation and product and service costs are uncertain and may vary from country to country.

The Company assumes no responsibility to revise forward looking statements to reflect new information, subsequent events or changes in circumstances, except as required by applicable securities laws.

1. Description of the Business

LOOPShare Ltd. (formerly Kenna Resources Corp., the “Company” or “LOOPShare”) was incorporated under the provisions of The Business Corporations Act (Saskatchewan) on September 25, 2009. On September 4, 2014, the Company completed its continuance to British Columbia under The Business Corporations Act (British Columbia). The Company is in the business of mineral exploration. The Company’s head office, principal address and the registered and records office are located at 103 – 131 Water Street, Vancouver, BC V6B 4M3.

During the year ended December 31, 2016, the Company acquired all of the outstanding securities of Saturna Green Systems Inc. (“Saturna”) in exchange for the issuance of securities of the Company (the “Transaction”). The Company, with Saturna as its wholly owned subsidiary, will now pursue the business of Saturna as described in the Company’s filing statement dated May 29, 2016.

The Company develops and deploys connected end-to-end Telematics-based solutions for inner-city transportation vehicles, specifically geared toward Transportation as a Service (“TaaS”). The Company specializes in the connected vehicle industry with a focus on two wheel electric vehicles. Saturna has developed a ruggedized 7” touch screen dashboard (“SVD400”) for factory installation.

In conjunction with the closing of the Transaction, the Company has changed its name to “LOOPShare Ltd.” and consolidated its outstanding class A shares on the basis of 1.469565217 old shares for each one new share (on a post-consolidation basis, the “Shares”). All of the Company’s other outstanding securities were adjusted on the same basis prior to completion of the Transaction.

Effective at the opening, Friday, July 8, 2016, the common shares of LOOPShare Ltd. resumed trading under the new name on the TSX Venture Exchange. The Company is classified as a technology company. On November 10, 2016, the Company's trading symbol changed from LUP to LOOP.

The accompanying consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material. The Company is dependent upon raising debt and equity financing to provide the funding necessary to meet its general operating expenses and will require additional financing to continue to develop and deploy its TaaS technology, and settle liabilities. The Company has incurred losses since inception and expects to incur further losses in the development of its business. As at December 31, 2016 the Company had a net working capital deficiency of $116,209 (2015 - $1,017,343) and a cumulative deficit of $7,155,073 (2015 - $3,764,138), which has been funded primarily by the issuance of equity. These factors may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

2. Business Model

The Company's primary focus is on establishing scooter sharing operations throughout the world through a network of third party operators. LOOPShare plans to sell connected scooters to operators as part of a turn-key, "plug-and-play" business solution. The Company will provide ongoing services generating monthly recurring revenue. In addition, the Company will continue to sell its SVD400 device to scooter and motorcycle manufacturers world-wide.

3. Growth Strategy

LOOPShare's business model is designed to be highly scalable, supported by software it has developed and has integrated with currently available third party software. "LOOP" branded scooters can be shipped from the factory in China to cities around the world, already homologated to meet local transport authority requirements and localized for market specific requirements.

LOOP plans to engage local Zone Operators world-wide based on criteria developed for size of local market, financial capacity and operating requirements.

4. Overall Performance

a) Operations for the Year Ended December 31, 2016

During the year ended December 31, 2016 the Company completed the development of its SVD400G hardware device and shipped commercial units to China for installation on L scooters. The Company's affiliate commenced a field trial of its scooter sharing operation in Beirut, Lebanon.

As at December 31, 2016 the Company has shipped 780 SVD400 touchscreen display units to a tier-1 Original Equipment Manufacturer ("OEM") and supplier of electric scooters with a manufacturing base located in Ann Arbor, Michigan, USA. LOOPShare delivered 300 SVD400 devices during the year ended December 31, 2016, 100 of which were shipped in the fourth quarter. The Company shipped 155 units to the OEM during the first quarter of 2017. The Company renegotiated its purchase order with the OEM to provide for the shipment of an additional 600 units in F2017. Further, the Company has commenced customization work to deliver units for the customer's Peugeot brand for Europe.

The Company continued the development of its software products and applications to provide additional features for its scooter sharing operations. On August 17, 2016 the Company amended its agreement with Prolog Corp. to license its WebTrack Software on a modular basis. The Company expects that the WebTrack Software will provide scalability on a global level and greatly enhance its service offering. The Company commenced working with the Prolog engineering team in September and plans to deliver additional software features for commercial use in the second quarter of 2017.

b) Reverse Takeover Transaction

On June 28, 2016, the Company (formerly Kenna Resources Corp.) completed a reverse takeover transaction with Saturna Green Systems Inc. ("Saturna") pursuant to a Securities Exchange Agreement ("SEA"). Under the terms of the SEA, the Company acquired all of the outstanding securities of Saturna in exchange for 26,191,427 common shares of the Company at a deemed price of $0.20 per Company share (the "Transaction"). Subsequent to completion of the Transaction, the Company, with Saturna as its wholly owned subsidiary, pursues the business of Saturna as described herein and in the Company's filing statement dated May 29, 2016.

In conjunction with the closing of the Transaction, the Company changed its name from Kenna Resources Corp. to "LOOPShare Ltd." and consolidated its outstanding class A shares on the basis of 1.469565217 old shares for each one new share (on a post-consolidation basis, the "Shares"). All of the Company's other outstanding securities were adjusted on the same basis prior to completion of the Transaction.

Effective at the opening, Friday, July 8, 2016, the common shares of Loopshare Ltd. resumed trading under the new name on the TSX Venture Exchange. Immediately following completion of the Transaction, the Company, with Saturna as its wholly owned subsidiary, pursues the business of Saturna as described in the Corporation's filing statement dated May 29, 2016. The Company is classified as a technology company. Effective November 10, 2016, the Company's trading symbol will changed from LUP to LOOP.

Immediately prior to closing Saturna had 7,818,341 class A common shares outstanding after giving effect to the following:

Class A common shares issued immediately prior to completion of the Transaction	Class A common shares(1)	Issue Price(1)	Share Capital
Class A common shares issued and outstanding, June 28, 2016	6,282,506		
Conversion of debentures (1)	1,014,917	$0.5025	$510,000
Settlement of accrued compensation	73,157	$0.67	$49,015

Finder's fees paid to Fortuna Investment [2]	447,761	$0.67	$300,000
Total class A common shares issued and outstanding immediately prior to completion of the Transaction	7,818,341		

(1) Convertible debentures in the aggregate principal amount of $510,000 were converted at a price of $0.5025 per class A common share, being the Transaction price of $0.67 per class A common share, less a discount of 25%, with no additional consideration paid for accrued interest.

(2) Issued pursuant to advisory agreements with Fortuna Investment Corp. In addition to 447,761 class A common shares, the Company paid Fortuna a fee of $120,000 upon completion of the Transaction.

In connection with the Transaction, immediately prior to the shares exchange, Kenna Resources Corp. consolidated its common shares on a 1.469565217 to 1 basis (the "Consolidation"), resulting in 5,618,616 common shares of Kenna being issued and outstanding.

Upon completion of the Transaction, the Company changed its name from Kenna Resources Corp. to LOOPShare Ltd. and paid finder's fees of $279,415 by the issuance of 1,397,074 LOOPShare common shares.

In conjunction with closing of the Transaction, LOOPShare closed a private placement for gross proceeds of $1,375,000 by the issuance of 6,875,000 LOOPShare common shares at a price of $0.20 per share and paid cash commissions totaling $52,225 along with 254,800 non-transferable broker warrants in connection with the private placement. Each broker warrant entitles the holder thereof to purchase one resulting LOOPShare common share at an exercise price of $0.37 per share for a period of two years from the closing of the private placement using volatility of 129%, risk-free rate of 0.56%, and dividend rate of nil%.

As a result of the Transaction, and prior to the private placement the shareholders of Saturna owned approximately 82% of the issued and outstanding common shares of LOOPShare on a diluted basis. For accounting and reporting purposes, Saturna is the accounting acquirer and LOOPShare is the accounting acquiree because of the significant holdings and influence of the control group of Saturna before and after the Qualifying Transaction.

The reverse acquisition has been accounted for as a share-based payment transaction on the basis that LOOPShare did not meet the definition of a business because LOOPShare is a shell based company with no ongoing business operations. As a result, the difference between the fair value of the consideration deemed to have been paid by the accounting acquirer and the fair value of the identifiable net assets of the accounting acquiree is expensed.

The net assets acquired at fair value on June 28, 2016 are as follows:

Consideration paid		
5,618,617 common shares(1)	$	1,123,723
2,647,617 warrants(2)		86,214
Total consideration paid		1,209,937
Less: settlement of pre-existing loan(3)		(250,000)
Net consideration		959,937
Less: Value of net assets		
Cash		180,829
Amounts receivable		22,481
Trade and other payables		(90,615)
Net assets acquired		112,695
Fair value of consideration paid in excess of net assets acquired	$	847,242
Other listing expenses		
Finders shares		579,415
Finders fee paid in cash		120,000
Legal expenses		171,350
Filing fees		13,747
Marketing fees		11,860
		896,372
Total listing expenses	**$**	**1,743,614**

(1) Common shares of the Company prior to completion of the Transaction, valued at $0.20 per class A common share, being the price of the private placement.

(2) Warrants issued in exchange for Kenna warrants on the basis of 1:1.4695 considered as additional consideration. These warrants were measured as of June 28, 2016 and the fair value of $86,214 was determined using the Black Scholes option pricing model with volatility of 110.17%, risk-free rate of 0.50% and dividend rate of nil%.

(3) The Company (formerly Kenna Resources Corp.) advanced $250,000 to Saturna as bridge financing prior to the Transaction. Given this pre-existing relationship these amounts were effectively settled upon the closing of the Transaction.

c) Business Arrangement

On February 3, 2016 and November 14, 2016 the Company entered into a agreements (collectively the "**Berytech Agreements**") with Berytech Fund II s.a.l. (Holding) ("**BTFII**"), Berytech Fund Management s.a.l. (Holding) ("**BTFM**"), Loop s.a.l. ("**Loop**"), and Anwar Sukkarie, a director and officer of the Company. Loop is a Lebanese company incorporated for the purpose of this business arrangement (the "**Berytech Business Arrangement**").

Pursuant to the Berytech Agreements, BTFII has, at the date of this MD&A, advanced Loop USD 1,300,000 by way of an initial instalment of USD 610,000 and a second installment of USD 690,000. The amount may be increased to an aggregate of USD 2.5 million, upon agreement of all parties to the Berytech Agreements. During the year ended December 31, 2016 from the proceeds of the initial instalment USD 190,000 was used to immediately repay certain non-interest bearing loans previously granted by BTFM to Loop, US$293,000 was used to license software from the Company and USD 81,500 was paid to the Company as purchase deposits for electric scooters equipped with the Company's technology ("**Loop Scooters**"). From the proceeds of the second instalment and unless otherwise agreed by the Company, USD 337,500 will be used for purchasing scooters for scooter sharing operations, USD 169,500 for software customization and USD 183,000 for general operations. During the year the Company and Loop s.a.l. agreed to reduce the amount allocated to scooter purchases by $99,158, of which $291,038 has been paid to LOOPShare as deposits, and increase cash allocated to general operations by the same amount.

The derivative instrument's fair value is calculated using Level 3 inputs. The gain or loss on initial recognition of the derivative liability with Level 3 inputs is not recognized but deferred. Any loss arising from the subsequent re-measurement is recognized in the consolidated statement of net loss. Any gain from the re-measurement of the derivative instrument is only recognized to the extent of a recorded loss as the Investor would never exercise its right under these circumstances. The value of the derivative instrument as at December 31, 2016 is determined to be $623,000. The method of valuation of the derivative instrument is set out in Note 10 of the Company's consolidated financial statements for the year ended December 31, 2016.

Japan Operations

On September 8, 2016, the Company received approval of a subsidy from the Japan External Trade Organization (JETRO), a Japanese government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. The subsidy, received on March 24, 2017 after successful completion of the project, was provided to Loop Japan KK, a newly established subsidiary of the Company, to localize the Company's solution for the Japanese, Chinese and South Korean markets. Under the agreement 30 Loop scooters were shipped to Naha, Okinawa for field trials.

5. Future Plans and Outlook

a) Future Plans and Outlook

The Company is planning to perform the following activities during the year ending December 31, 2017:

Plans	
a)	continue the development of the SVD400 and SVD400G devices to provide for manufacturing cost savings had been originally planned for 2016. In 2017 the Company plans to complete this project;
b)	complete customization of the Vmoto electric scooter to accommodate the use requirements of a scooter sharing operation. In fiscal 2016 the scooter was customized for initial field trials. The Company has identified further enhancements for development and implementation for 2017;
c)	obtain certification of the SVD400G device, which was originally planned for 2016 has moved to 2017. Certification requirements relate specifically to third-party certification of the modem in territories where such certification is required and has not been provided by the modem supplier. In addition to the planned certification of the SVD400 device the Company will plan

	to certify its battery charger in required markets.
d)	commence scooter sharing field trials in Vancouver, British Columbia, Tokyo, Japan and at least three additional cities. The Company had planned to commence trials in three cities in 2016, but commenced in Beirut, Lebanon only. A trial in Okinawa, Japan commenced in February 2016 and a trial in Vancouver is slated for this spring or summer. It is planned that trials will commence in 3 additional cities in 2017;
e)	Launch commercial operations in initial three cities during 2017. It is planned that commercial field trial operations will begin in Beirut in Spring 2017;
f)	Field trials were launched with the Company's 'minimal viable software solution'. It is planned that in 2017 a fully scalable V1 software will be launched in 2017 along with user interfaces and an office suite.

6. Summary of Annual Results

Annual results for the years ended December 31, 2016, 2015 and 2014 are as follows:

Results			
	2016	**2015**	**2014**
Total Revenue	$ 613,266	$ 413,240	$ 68,162
Cost of Sales	216,099	151,042	35,198
Gross Margin	397,167	262,198	32,964
Amortization	10,098	10,402	3,598
Finance costs	30,232	48,930	33,843
General and administrative	929,050	418,318	316,506
Research and development	412,297	206,412	279,692
Sales and marketing	113,316	120,572	28,325
Share based compensation	595,112	250,619	283,506
Total Expenses	2,090,105	1,055,253	945,470
Net loss before other items	(1,692,938)	(793,055)	(912,506)
Currency gain (loss)	(14,481)	(36,967)	12,101
Gain on settlement of debt	97,779	-	872,288
Loss on asset disposal	(9,698)	-	-
Loss from extinguishment of debt	(27,983)	-	-
Listing expense	(1,743,614)	-	-
Net Loss	(3,390,935)	(830,022)	(52,319)
Other comprehensive loss	(9,408)	-	-
Total comprehensive loss	(3,400,343)	(830,022)	(52,319)
Loss per share – basic and diluted	$ (0.11)	$ (0.04)	$ (0.01)
Weighted average number of common shares	30,506,693	19,138,763	8,364,442

a) <u>Revenue and Gross Margin</u>

Revenue for the year ended December 31, 2016 is comprised of the sale of software licenses to Loop *(see paragraph 2c, Business Arrangement),* sales of services and hardware. The costs associated with the development of the software acquired were expensed in prior periods. The Company does not expect that it will realize additional license sales for the foreseeable future. Revenue for the year ended December 31, 2016 was comprised of $52,353 from services, $403,969 from the sale of software licenses, and $156,944 from hardware sales. The Company derived revenue from services of $1,068 and from hardware sales of $43,445 in the quarter ended December 31, 2016.

Revenue for the year ended December 31, 2015 was derived $268,320 from services provided to the Company's OEM customer and $144,920 from hardware shipped to the same OEM customer. Revenue for the quarter ended December 31, 2015 was derived $113,046 from services provided to the Company's OEM customer and $Nil from hardware shipped to the same OEM customer, representing the Company's first shipment of commercial SVD400 units.

b) <u>Expenses</u>

Total expense for the year ended December 31, 2016 increased primarily due to increased salaries. Total expense for the year ended December 31, 2016 increased by 98% over the prior comparable period, of which 52% of the increase is due to an agreement with employees to earn reduced salaries for the 2015 year and increase in staffing in 2016, for a total $534,830 increase in salaries, 14% of the increase is due to an increase in consulting services of $144,378.

i) General and Administrative

General and administrative expense for the year ended December 31, 2016 increased by 122% over the prior comparable period, of which 61% of the increase is due to an agreement with employees to earn reduced salaries for the 2015 year and increase in staffing in 2016, for a total $310,654 increase in salaries, 19% of the increase is due to an increase in consulting services of $95,044.

ii) Research and Development Expense

Research and development expense for the year ended December 31, 2016 increased by 100% over the prior comparable period, of which 115% of the increase is due to an agreement with employees to earn reduced salaries for the 2015 year and increase in staffing in 2016, for a total $236,326 increase in salaries, 11% of the increase is due to an increase in software consulting services of $23,092.

iii) Sales and Marketing Expense

Sales and marketing expense for the year ended December 30, 2016 decreased by 6% over the prior comparable year primarily due to a $22,982 reduction in travel expense representing 317% of the decrease.

iv) Share Based Compensation Expense

The share-based compensation expense of $595,112 was comprised $332,493 of share-based compensation to Anwar Sukkarie (compensation and performance shares), $80,700 due to an agreement to pay a consultant shares for the provision of business development services, and $181,919 of stock options expenses recognized during the period. Share-based compensation for the prior comparable year end was $250,619 primarily due to shares issued in consideration for an arrangement with employees to reduce their salaries for the 2015 year.

v) Interest Expense

Interest expense for the year ended December 31, 2016 related to accretion interest accrued with respect to the Company's convertible debentures. During the year ended December 31, 2016 the decrease in interest expense from the prior comparable period of $18,698 is mainly due to the conversion of the loans into class A common shares effective June 28, 2016 in connection with the Company's Reverse Acquisition Transaction. The debentures were converted into class A common shares with no consideration for interest, resulting in a gain on settlement of $97,779.

During the year the Company amended the terms of certain loan arrangements that resulted in an extinguishment of debt and the issuance of new debentures which were converted as set out above. The Company realized a loss of $27,983 on extinguishment of debt.

Summary of Quarterly information:

The Company has not prepared quarterly financial statements for quarters prior to March 31, 2015. The Company has not previously reported loss per share information for quarters other than the quarters Prior to June 30, 2016.

	For the quarters ended							
	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
	$	$	$	$	$	$	$	$
Revenue	44,513	86,195	73,585	408,973	257,331	113,046	25,951	16,913
Cost of Sales	99,604	63,332	52,755	408	65,131	62,997	21,384	1,530
Gross Margin	(55,091)	22,863	20,830	408,565	192,200	50,049	4,567	15,383
Total expenses	796,317	535,568	336,809	421,430	348,975	277,796	293,012	135,472
Net loss before other items	(851,408)	(512,705)	(315,979)	(12,865)	(156,775)	(227,747)	(288,445)	(120,089)
Exchange gain (loss)	(25,234)	(690)	(912)	12,356	(37,705)	255	(3,200)	3,683
Gain on settlement of debt	-	-	97,779	-	-	-	-	-

Loss on asset disposal		(9,698)	-	-	-	-	-	-
Loss from extinguishment of debt	-	-	(27,983)	-	-	-	-	-
Listing expense	-	-	(1,743,614)	-	-	-	-	-
Net loss	(876,642)	(523,093)	(1,990,709)	(509)	(194,480)	(227,492)	(291,645)	(116,406)
Other comprehensive loss	(9,408)	-	-	-	-	-	-	
Total comprehensive loss	(886,050)	(523,093)	(1,990,709)	(509)	(194,480)	(227,492)	(291,645)	(116,406)

Revenue during the three months ended March 31, 2016 was derived from the provision of services and licensing. There were no hardware sales recorded in that period due to a delay in manufacturing caused by the failure of a key supplier. Hardware sales resumed in the second quarter of 2016. During the three months ended December 31, 2016 revenue was derived 98% from the sale of hardware of which 46% was from the sale of connected scooters to the Company's affiliate in Beirut. Revenue for the three months ended December 31, 2015 included service revenues of $200,334 from recognition of final delivery of services under a development contract. The remaining revenue reported for the above quarters is primarily derived from hardware sales and related services for one OEM customer located in USA.

There are no known trends or seasonal impacts on the Company's business although it is anticipated that seasonal trends will develop as the Company grows, which will be mitigated in part due to the planned global nature of the Company's business.

Loss before the undernoted for the quarter ended December 31, 2016 represented a 58% increase over the preceding quarter due primarily to a negative operating margin reflecting a customer contract with onerous terms and a 49% increase in operating expenses primarily due to the realization of share-based compensation expense. Loss before the undernoted for the three months ended September 30, 2016 increased by 62% over the previous quarter due to increased expenses for capital market costs. Loss for the three months ended March 31, 2016 decreased by 89% over the prior period because of decreased cost of goods sold.

Listing expense recorded for the second quarter of 2016 is explained under Reverse Takeover Transaction described in the MD&A.

7. Financial Position

Summary of Financial Position	December 31, 2016	December 31, 2015	December 31, 2014
Current Assets	$1,075,849	$464,279	$350,225
Total assets	$1,198,470	$602,786	$403,414
Current and total liabilities	$1,192,058	$1,481,622	$1,178,591
Deficit	$(7,155,073)	$(3,764,138)	$(2,934,116)
Shareholders’ equity (deficiency)	$6,412	$(878,836)	$(775,177)

a) Assets

The increase in current assets at December 31, 2016 over the prior year was 132% due to an increase in cash of $282,428, comprised $1,322,775 from the net proceeds from the issuance of common shares, $73,378 from the proceeds of exercise of warrants and offset by the redemption of preferred shares in the amount of $60,480. Inventory increased by $59,126 and prepaid expenses by $372,898. The increase in prepaid expense as at December 31, 2016 compared over the prior year is due to $190,250 prepayment of orders to acquire scooters for the Company’s scooter sharing trials, $132,061 to contract customization work and services related to the acquisition of software licenses, $37,512 deposit for software customization and $13,074 to general operating expenses.

As at December 31, 2016, total assets increased by 97% from total assets at December 31, 2015 due primarily to the increase in cash proceeds from issuance of shares.

b) Liabilities

Liabilities as at December 31, 2016 decreased by 20% during the year, due to a net reduction of short term promissory notes of US$193,000. The reduction is comprised of the repayment of a promissory note to the Company’s affiliate, Loop. Accrued compensation decreased over the same period by $117,331 and it is mainly due to payment of past payroll to some former employees. During the year ended December 31, 2016 debentures that were issued during the year ended December 31, 2014 in the amount of $510,000 were converted into common shares. During the same year, liabilities were increased by $166,235 due to an increase in accounts payable and deferred revenue increased by $291,038 representing customer deposits.

c) Foreign Currency Loss

During the year ended December 31, 2016 the Company realized a currency loss of $14,480, $757 due on a promissory note in the amount of USD 193,000 and $13,723 from the retranslation of other current net monetary assets. The promissory note was repaid on February 23, 2016.

8. Non-recurring Transactions

During the year ended December 31, 2016 the Company recorded revenue from the sale of software license to its affiliate, Loop. It is not expected that this will be a recurring revenue stream.

9. Use of Proceeds

The Company raised $1,375,000 from the issuance of common shares in connection with the RTO Transaction set out in paragraph 2. The following table sets the actual capital available upon closing the RTO transaction together with the private placement on June 28, 2016.

	Estimated available capital	Actual available capital on closing
Proceeds of offering, net	1,324,000	1,322,790
RTO closing costs	(150,000)	(196,957)
Working capital immediately prior to closing [1]	326,198	153,142
Net available capital	**1,500,198**	**1,278,975**

[1] Pre-closing costs of Kenna Resources Corp. were higher than estimated resulting in lower than expected pre-closing working capital.

The following table sets out the estimated use of proceeds stated as at June 28, 2016 and the actual use of proceeds to December 31, 2016.

	Estimated use of proceeds	Actual use of proceeds to December 31, 2016
Redemption of preferred shares	60,480	60,480
Repayment of bridge loans	98,000	98,000
Finder fees paid in cash	120,000	120,000
Engineering and design	422,899	171,284
Sales and marketing	259,630	71,180
Operations and administration	433,503	282,890
General working capital	105,686	[1]475,141
Use of proceeds	**1,500,198**	**1,278,975**

[1] General working capital includes an increase in prepayments and purchases of inventory in the total amount of $185,148 and a reduction in deferred revenue of $57,926. The balance relates primarily to a $366,290 reduction in accounts payable and accrued liabilities.

10. Liquidity and Capital Resources

The Company is reliant on its ability to raise capital in order to settle its debts as they come due. At December 31, 2016, the Company had a working capital deficiency of $116,209; an increase in working capital of $901,134 over its December 31, 2015 working capital deficiency of $1,017,343. At the date of this MD&A the Company had commitments under its office lease and purchase orders of $1,147,407, $1,016,295 for the 2017 year and $131,112 for long term commitments.

Current operating capacity for the year ending December 31, 2017 is estimated to be $3,000,000, comprised $1,890,000 of operating expenditures based on expenditures for the quarter ended December

31, 2016, less non-recurring costs and less applicable subsidies. Additional capital will be required to meet estimated operating expenditures for 2017.

Estimated operating expenditures for the ensuing 12 month period ending December 30, 2017 (not committed)	**Required funding**
Engineering and design	$385,000
Sales and marketing	$190,000
Operations and administration	$973,000
Inventory	$400,000
Planned Growth	$1,052,000
Total funds required for operations	**$3,000,000**

As at December 31, 2016, the Company had $302,929 cash, an increase of $282,428 compared to a cash of $20,501 at December 31, 2015. The increase was due to cash from financing activities of $1,220,561, and from investing activity of $139,407, offset by cash used for operating activities of $1,077,540.

On February 3, 2016, the Company entered into the Berytech Business Arrangement that involved granting a security interest in its present and future intellectual property, thereby restricting the ability of the Company to grant such security to other parties. The Company may be required to fund its ongoing operations from future operating surpluses, if they exist, or from raising additional equity financing.

11. Related Party Transactions

The following amounts are payable to related parties as at December 31, 2016 and December 31, 2015:

		December 31, 2016		December 31, 2015
Companies controlled by directors	$	3,649	$	3,649
Expenses incurred on behalf of Company owing to directors and officers		25,213		4,541
Due to directors and officers		114,862		51,941
	$	**143,724**	**$**	**60,131**

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

During the year ended December 31, 2016, short-term loans due to a director and officer of the Company in the amount of $98,000 were repaid.

As at December 31, 2016, the Company has bridge loans due to a director and officer of the Company in the amount of $52,000 (2015 - $150,000).

As at December 31, 2016, the Company has an obligation to issue class A common shares to a director and officer of the Company in the amount of $75,000 (2015 - $74,885).

Key Management Compensation

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company, during the three and nine months ended:

	Three months ended December 31,		Year ended December 31,	
	2016	**2015**	**2016**	**2015**
Salary	$ 85,544	$ 47,154	$ 335,750	$ 206,611
Share-based compensation	219,994	40,400	404,197	137,567
	$ 305,538	$ 87,554	$ 739,947	$ 344,178

Performance Shares

Effective January 1, 2016 the Company amended its employment agreement with Anwar Sukkarie, an officer and director of the Company. Under the revised agreement Mr. Sukkarie's 2016 salary of $222,000 shall be payable $72,000 in cash and the balance by the issuance of a total of 749,999 common shares in two equal instalments. Further, Mr. Sukkarie shall be entitled to up to 3,499,999 common shares ("Performance Shares") subject to meeting the following performance criteria.

Aggregate number of cities to which 55 or more scooters of the Resulting Issuer are shipped	Number of Performance Shares to be issued
Three (3)	1,499,999
Six (6)	2,000,000
Total	3,499,999

As of December 31, 2016 the number of shares expected to vest was 3,499,999. The performance shares have no set expiry date, but will terminate if the employment contract is terminated. The fair value of the performance shares was based on an estimated vesting period of 1.5 years for the first performance condition and 2.5 years for the second performance condition, and the market price of the common shares of $0.20 for total fair values of $300,000 and 400,000, respectively. Share-based compensation of $182,493 for the year ended December 31, 2016 (2015 - $nil) was recorded in the consolidated statement of loss.

Royalty Arrangement

On May 29, 2016 the Company revised the terms of a royalty agreement that was previously entered into in 2014 with a corporation owned by employees of the Company with respect to the forgiveness of past salary. Under the revised agreement a royalty of up to $1,150,000 (the "Royalty Max") is to be calculated quarterly and payable in common shares of the Company and the market value on the issue date. Directors and officers hold a beneficial interest of 70% of the royalty company and collectively have 33% voting interest.

The revised royalty agreement provides that the royalty will accrue as set out in the table below.

Number of cities to which 55 or more scooters were shipped	Value of royalty
The first (3) cities, in aggregate	$69,000
Each one (1) subsequent city	$34,500

Such royalty amounts will be settled in Shares at a price per share equal to the greater of $0.13 per share and the market price per share, where "market price" is defined as a price equal to the Resulting Issuer's 10 day volume weighted average price on the Exchange. The number of Common Shares of the Resulting Issuer issuable pursuant to the agreement will be determined on each of:

- December 31, 2017, in respect of scooters shipped prior to December 31, 2017 (the "First Record Date"),
- December 31, 2018, in respect of scooters shipped in the preceding year (the "Second Record Date"), and
- December 31 of each subsequent year, in respect of scooters shipped in the preceding year, until the Royalty Max is achieved.

If (i) the value of the Shares calculated on the First Record Date or Second Record Date fall below $300,000 or $850,000, respectively, and (ii) the Company has generated positive EBITDA (as defined below) in the fiscal year preceding the applicable record date, then the royalty payable effective each of the First Record Date and the Second Record Date will be increased, only to the extent of 15% of such positive EBITDA, payable in cash or settled by the issuance of Shares, at the option of the Company. "EBITDA" means net earnings before interest, depreciation and taxes, and before non-recurring expenses, engineering costs, software development costs, design costs, research and development costs, commercialization costs including filing of patents and certifications.

The royalty agreement has been treated as a contingent liability based on a future outcome and for which the payment is not probable, nor can it be measured reliably. At such time that the amount of the royalty can be calculated and it is probable that it will be due, the liability and expense will be recorded.

12. Off Balance Sheet Arrangements

On February 3, 2016 the Company entered into the Berytech Agreement, amended on September 7, 2016 under the Additional Investment Agreement, as more particularly described in note 10 to the Company's audited financial statements for the year ended December 31, 2016.

As of the date of this MD&A, BTFII has invested USD 1,300,000 in Loop pursuant to the Berytech Business Arrangement. The investment is comprised USD 1,280,000 of debt and USD 20,000 for a 40% interest in Loop. On November 14, 2016 the Company has issued a warrant to BTFII, which provides BTFII with the right to acquire 8,424,943 common shares of the Company at a deemed average exercise price of CAD $0.206 per share (the "**Berytech Warrant**"). Consideration for the exercise of the Berytech

Warrant will be comprised of Berytech's debt and equity interest in Loop. Berytech may exercise the Berytech Warrant at any time, however the Berytech Warrant will exercise automatically on February 3, 2019 if it still remains outstanding, subject to the Company and Berytech entering into a share transfer agreement and subject to Lebanese law.

Subject to the approval of the parties, BTFII may invest a total of USD 2.5 million in Loop. In the event additional advances are made to Loop, it is expected that additional warrants will be issued for the purchase of the appropriate number of Shares at a deemed exercise price equal to the market price of the Company's common shares at the time the funds are advanced.

The Company has entered into an option agreement with Anwar Sukkarie providing the Company with the right to acquire his 59.995% interest in the equity in Loop for a price of USD 1.00 subject to the exercise of the Berytech Warrant. The remaining 0.005% is held by an unrelated individual.

13. Outstanding Share Data

As at the date of this MD&A, the Company had 41,791,256 class A common shares, 2,901,918 share purchase warrants and 2,584,000 stock options outstanding.

8,424,943 common shares may be issued for the acquisition of the Company's affiliate. See paragraph 9. Subject to TSX Venture Exchange approval, the Company may issue up to 1,463,217 common shares at an agreed value of $346,051 for the acquisition of software licenses and may acquire additional software for USD 200,000 payable in common shares at the market price.

Pursuant to the employment agreement of an officer and director, 374,999 common shares may be issued in consideration for salary and up to 3,499,999 common shares may be issued pursuant to certain performance criteria being met, as described in paragraph 9.

Pursuant to a royalty agreement the Company may pay royalties of up to $1,150,000, calculated and payable quarterly in shares at the market price, as described in paragraph 9.

14. Risk Factors

The Company's risk factors are set out below:

The Company has a history of losses, and may be unable to achieve or sustain profitability.

The Company has experienced net losses in each year since its inception and, as of December 31, 2016, had an accumulated deficit of $7,155,073. The Company expects to incur a net loss in 2017. The Company does not know if business operations will become profitable or if the Company will continue to incur net losses in 2018 and beyond. The Company expects to incur significant future expenses as it develops and expands its business, which will make it harder for the Company to achieve and maintain future profitability. The Company may incur significant losses in the future for a number of reasons, including the other risks described in this Management's Discussion and Analysis, and the Company may encounter unforeseen expenses, difficulties, complications, delays and other unknown events. Accordingly, the Company may not be able to achieve or maintain profitability.

Because many of the Company's expenses will be fixed, the Company may not be able to limit its losses if the Company fails to achieve forecasted revenue.

To commence scooter sharing trials in three cities the Company may be required to make significant investments in vehicles and operations. If the trials are unsuccessful and the Company's services do not increase as quickly as the Company has anticipated, or if there is a lack of demand for the Company's services, the Company may be unable to offset these costs, and the Company's operating results may be adversely affected as a result of high operating expenses, reduced margins, underutilization of capacity and asset impairment charges. If the market for scooter sharing fails to grow or grows more slowly than the Company currently anticipates, the Company's business would be negatively affected. To date, the Company has targeted markets the Company believes are the most likely to adopt scooter sharing. However, there is no assurance the Company will be successful in these markets or will be able to expand beyond these markets.

The Company faces significant risks as it expands its operations internationally, which could harm the Company's business, operating results and financial condition.

The Company's efforts to expand its operations into new international markets involve various direct and indirect risks. Direct risks are those risks borne directly by the Company. Indirect risks are the risks faced by operators in each market that could impact the Company's business and profitability indirectly. Such risks include the following:

- difficulties in contracting qualified operators with adequate capital to finance and operate scooter sharing services in each market;
- difficulties or delays in acquiring a critical mass of subscribers, vehicles and/or convenient parking locations;
- different driving expectations and patterns than those in North America;
- different legal and labor practices and customs;
- the need to adapt the Company's systems and subscriber interfaces for different languages, currencies and financial accounting practices;
- different data protection and privacy laws;
- difficulties in staffing and managing new operations.

As a result of these obstacles, the Company may find it impossible or prohibitively expensive to expand internationally or the Company may be unsuccessful in its attempt to do so, which could harm the Company's business, operating results and financial condition.

Growth may place significant demands on the Company's management and the Company's resources.

The Company expects to experience substantial growth in its business. This growth has placed and may continue to place significant demands on the Company's management and Company's operational and financial resources. The Company may not be able to provide the scale of operation necessary to meet the potential growth.

Manufacturer safety recalls could create risks to the Company's business.

Scooters sold by The Company to its operators may be subject to safety recalls by their manufacturers. Under certain circumstances, the recalls may cause an interruption of the service. Depending on the severity of the recall, it could materially adversely affect the Company's revenues, create bad will with some of the subscribers and harm the Company's general reputation and brand.

The Company faces risks related to liabilities resulting from the use of the Company's vehicles by the anticipated LOOP subscribers.

The Company's business may expose it to claims for personal injury, death and property damage resulting from the use of scooters by the anticipated LOOP subscribers. For example, a subscriber may be using a scooter that has worn tires or some mechanical or other problem, including a manufacturing defect, that contributes to an accident that results in a death or significant property damage for which the Company may be liable. In addition, it is expected that the Company will depend on the anticipated LOOP subscribers, operators and third-party service providers to inspect the vehicles prior to driving in order to identify any potential damage or safety concern with the vehicle.

The Company could be negatively impacted if losses for which the Company does not have third-party insurance coverage increase or the Company's insurance coverages prove to be inadequate.

The market for scooter sharing services is becoming increasingly competitive, and if the Company fails to compete effectively the Company's business will suffer.

The Company expect that the competitive environment for the Company's scooter sharing service will become more intense as additional companies enter the Company's anticipated markets. In addition, competitors may increase the number of vehicles in their fleets or enhance the vehicle offerings in their existing fleets to be more competitive, and additional competitors may enter the Company's anticipated markets. Some of the Company's competitors may respond more quickly to new or emerging technologies and changes in driver preferences or requirements that may render the Company's services less desirable or obsolete. These competitors could introduce new solutions with competitive price and convenience characteristics or undertake more aggressive marketing campaigns than the Company anticipates undertaking. The Company believes that price is one of the primary competitive factors in the Company's market and pricing in the Company's markets is very transparent. The Company's competitors, some of whom may have access to substantial capital, may seek to compete aggressively on the basis of pricing. To the extent that the Company decreases the Company's anticipated pricing as a result of downward pricing by the Company's competitors and are not able to reduce the Company's operating costs, it could have a material adverse impact on the Company's results of operations, as the Company may lose subscribers and experience a decrease in subscriber reservations.

The Company's success depends on the anticipated LOOP subscribers' continued low cost, high-speed access to the Internet and the continued reliability of the Internet infrastructure.

Because the LOOP scooter services are designed primarily to work over the Internet, the Company's revenue will depends on low cost, high-speed access to the Internet, as well as the continued maintenance and development of the Internet infrastructure, including the wireless Internet infrastructure. The future delivery of the Company's services will depend on third-party Internet service providers to expand high-speed Internet access, to maintain a reliable network with the necessary speed, data capacity and security, and to develop complementary products and services for providing reliable and timely Internet access and services. The success of the Company's business will depend directly on the continued accessibility, maintenance and improvement of the Internet as a convenient means of customer interaction. All of these factors are out of the Company's control.

The Company expects to rely on third party operators and on third-party support service providers to deliver the LOOP services to the anticipated LOOP subscribers. If these service providers experience operational difficulties or disruptions, business could be adversely affected.

The Company intends to engage third party owner/operators to operate, finance and market scooter sharing operations worldwide. Such operators may also depend on third-party service providers to deliver LOOP services to subscribers. The Company will not control the operation of these providers. If the owner/operators terminate their relationship with the Company, or do not provide an adequate level of service to the Company's subscribers, it would be disruptive to business and replacement of these owner/operators or services providers may cause interruption of the services, perhaps for a significant period of time, damaging the Company's reputation, the reputation of the LOOP brand, and could potentially result in a reduction in market share and adversely affect financial results of the Reporting Issuer.

If the security of subscribers' confidential information stored in the Company's systems is breached or otherwise subjected to unauthorized access, the Company's reputation or brand may be harmed, and the Company may be exposed to liability and a loss of subscribers.

It is expected that the Company's system will store, process and transmit subscribers' confidential information including driver license numbers and other sensitive data. Presently the Reporting Issuer plans to outsource the storing, processing and transmission of credit card information to a third party service provider. It is expected that the Company will rely on encryption, authentication and other technologies licensed from third parties, as well as administrative and physical safeguards, to secure such confidential information. Any compromise of the Company's security or the security of the service provider could damage the Company's reputation and brand and expose the Company to a risk of loss, costly litigation and liability that would substantially harm the Company's business and operating results.

Failure to adequately protect the Company's intellectual property could substantially harm the Company's business and operating results.

Because the Company's business depends substantially on the Company's intellectual property, including the Company's proprietary vehicle platform system, the protection of the Company's intellectual property rights is expected to be crucial to the success of the Company's business. The Company may rely on a combination of trademark, trade secret and copyright law and contractual restrictions to protect the Company's intellectual property. These afford only limited protection. Despite the Company's expected efforts to protect its proprietary rights, unauthorized parties may attempt to copy aspects of the Company's website features, software and functionality or obtain and use information that the Company considers proprietary, such as the technology used to operate the Company's website, the Company's content and the Company's trademarks. Moreover, policing the Company's proprietary rights is difficult and may not always be effective. In particular, the Company may need to enforce the Company's rights under the laws of countries that do not protect proprietary rights to as great an extent as do the laws of the United States.

The Company's failure to raise additional capital necessary to expand the Company's operations and invest in the Company's business could reduce the Company's ability to compete successfully.

The Company may require additional capital in the future and the Company may not be able to obtain additional debt or equity financing on favorable terms, if at all. If the Company raises additional equity financing, the shareholders of the Company may experience significant dilution of their ownership interests, and the per share value of the Common Shares could decline. Moreover, any new equity securities the Company issues could have rights, preferences and privileges senior to those of holders of the Company's Common Shares. If the Company engages in debt financing, the Company may be required to accept terms that restrict its ability to incur additional indebtedness and force it to maintain specified liquidity or other ratios.

The Company will depend on key and highly skilled personnel to operate its business, and if the Company is unable to retain The Company's current personnel or hire additional personnel, the Company's ability to develop and successfully market its business could be harmed.

The Company believes its future success will depend in large part upon the Company's ability to attract and retain highly skilled executive, managerial, technical, finance and sales and marketing personnel. The Company plans to expand its work force domestically and as the Company grows its scooter sharing business internationally it plans to expand its work force both domestically and internationally. The Company expects to compete in the market for personnel against numerous companies, including larger, more established competitors which have significantly greater financial resources than the Company and which may be in a better financial position to offer higher compensation packages to attract and retain human capital. The Company cannot be certain that it will be successful in attracting and retaining the skilled personnel necessary to operate its business effectively in the future.

The Company's business is subject to the risks of earthquakes, fires, floods and other natural catastrophic events and to interruption by manmade problems such as computer viruses and terrorism.

The Company's systems and operations are vulnerable to damage or interruption from earthquakes, volcanoes, fires, floods, power losses, telecommunications failures, terrorist attacks, acts of war, human errors, break-ins and similar events. For example, a significant natural disaster, such as an earthquake, fire or flood, could have a material adverse impact on the Company's business, operating results and financial condition, and the Company's insurance coverage may be insufficient to compensate the Company for losses that may occur. Acts of terrorism, which may be targeted at metropolitan areas which have higher population density than rural areas, could cause disruptions in the Company's business or the economy as a whole. The Company's servers may also be vulnerable to computer viruses, break-ins and similar disruptions from unauthorized tampering with the Company's computer systems, which could lead to interruptions, delays, loss of critical data or the unauthorized disclosure of confidential subscriber data.

The Company may not have sufficient protection or recovery plans in certain circumstances and the Company's business interruption insurance (as and if carried by the Company) may be insufficient to compensate the Company for losses that may occur. As the Company expects to rely heavily on its servers, computer and communications systems and the Internet to conduct the Company's business and provide a high quality subscriber experience, such disruptions could negatively impact the Company's ability to run the Company's business, which could have an adverse effect on the Company's operating results.

An active trading market for the Common Shares may not develop.

Although the Common Shares will be listed on the Exchange, an active trading market for the Common Shares may never develop or be sustained. In the absence of an active trading market for the Common Shares, holders may not be able to sell their Common Shares at or above a desired price or at the time that they would like to sell.

The Common Share price may be volatile, and the market price of the Common Shares may drop.

The market price of the Common Shares could be subject to significant fluctuations, and it may decline. Market prices for securities of early stage companies have historically been particularly volatile. As a result of this volatility, holders may not be able to sell Common Shares at or above a desired price, or at the time they would like to sell.

15. Non-IFRS Measures

The Company uses EBITDA (earnings before interest, taxes, depreciation and amortization), a non-IFRS measure, to determine amounts due under the Royalty Agreement. Securities regulators require that issuers caution readers that measures adjusted to a basis other than IFRS do not have standardized meaning under IFRS and are unlikely to be comparable to similar measures used by other companies. EBITDA is presented solely as a supplemental disclosure in relation to the Royalty Agreement, in which EBITDA is defined as EBITDA after adding back non-recurring development costs.

Accounting Standards and Amendments Issued but Not Yet Adopted

The standards and interpretations that are issued up to the date of issuance of the Company's financial statements, but were not effective during the year ended December 31, 2016 are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IAS 7	Amendments to IAS 7 Statement of Cash Flows (i)
IAS 12	Amendments IAS 12 Recognition of Deferred Tax Assets for Unrealized Losses (ii)
IFRS 9	Financial Instruments (ii)
IFRS 15	Revenue from Contracts with Customers (ii)
IFRS 16	Leases (iii)

i) Effective for annual periods beginning on or after January 1, 2017

ii) Effective for annual periods beginning on or after January 1, 2018
iii) Effective for annual periods beginning on or after January 1, 2019

The Company is in the process of assessing the impact of the adoption of these standards and interpretations.

17. Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and can be obtained along with additional information at www.sedar.com.