

Mobilum Technologies Inc.

Management Discussion and Analysis

For the Period Ending November 30, 2022



Date and Presentation

This Management Discussion and Analysis (“MD&A”) of financial position and results of operations is prepared as at January 30, 2023 and should be read in conjunction with the interim condensed consolidated financial statements (“Consolidated Financial Statements”) for the nine months ended November 30, 2022 and the audited consolidated financial statements for the year ended February 28, 2022. These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standard (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”). These consolidated financial statements have been prepared on a historical cost basis except for financial assets at fair value for profit or loss, which are stated at their fair values. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting.

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures, and internal controls. Management is also responsible for ensuring that information disclosed externally, including the consolidated financial statements and MD&A, is complete and reliable.

All dollar amounts included therein and in the following MD&A are expressed in U.S. dollars except where noted. This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at www.sedar.com.

General Overview

Mobilum Technologies Inc. (formerly TechX Technologies Inc.) (the "Company") was incorporated on June 11, 2010 under the laws of the Province of British Columbia. The Company trades on the Canadian Securities Exchange (“CSE”) under the symbol MBLM (formerly TECX). The head office of the Company is located 700-838 W Hastings Street, Vancouver, BC V6C 0A6. The Company is dedicated to revolutionizing established industries by creating applications with artificial intelligence, compliant digital payment infrastructure and digital asset management technologies. Apart from developing products in prior years, in the year ended on February 28, 2022, the Company significantly restructured its investments and products portfolio through a series of transactions occurring throughout the year.

During the period ended November 30, 2022, the following highlights affected the Company's operations:

Q3 2023 Update on Covid-19 pandemic impact:

The direct impact of COVID-19 is diminishing with respect to daily operations. The long-term influence such as general workforce that works remotely remains. The Company will continue to monitor, evaluate, and adapt to developments as they unfold.

In April 2022, the Company entered into a business relationship agreement to provide KEYS Token Inc. ("KEYS Token") with Mobilum's onramp services. One of the core objectives of this project is to make the native utility token, KEYS, more accessible on a global scale by making it a simpler and easier to navigate the process. Users can purchase KEYS Token using VISA and Mastercard credit cards after completing a standard KYC verification process.

In May 2022, the Company entered into a business relationship agreement with ZEN.COM to provide Mobilum's customers with a dedicated virtual International Bank Account (IBAN). ZEN.COM is an international fintech company, with an e-money license issued by the central bank of Lithuania, which provides financial services in 31 European countries. Through this service agreement, ZEN.COM will provide Mobilum with the Euro backend and fulfillment infrastructure to Mobilum's settlement accounts whereby Mobilum can now provide virtual IBAN accounts enabling its clients to transfer funds and remit crypto transactions via SEPA transfer.

In May 2022, the Company entered into a strategic services agreement with Binance, the world's leading blockchain and cryptocurrency infrastructure provider with a financial product suite that includes the largest digital asset exchange. Under the terms of the agreement, Binance will engage Mobilum's fully compliant payment institution infrastructure and payment rails providing the acquiring of payment transactions and money remittance services for Binance, more specifically:

- Acquiring payment transactions services provided by Mobilum Pay to Binance connected with processing payments via the service within the Binance platform;
- Money remittance services provided by Mobilum Pay to Binance connected with the execution of transactions.

In July of 2022, the Company went live with its virtual IBAN offering, previously announced under the Binance engagement. The uptake and use of an innovative product offering such as Mobilum's vIBAN aided in part to its topline performance, where revenues this quarter reached 5.4 times over this year's Q1 revenues and 17 times over Q2 revenues from the same time period last year. During this period, it is important to note market conditions within the crypto industry, where the price of crypto currencies such as Bitcoin fell from the high \$20K levels to lows in and around \$19K. It is management's view that increasing revenues during these conditions across this period as an achievement.

In October 2022, the Company provided a business update introducing one of its emerging projects in the open banking space, a new non-custodial wallet combined with prepaid payment features. This project was funded in part by a global credit card provider.

In November 2022, the Company was granted approval to list on the OTCQB. It commenced trading on November 23, 2022 under the symbol "MBLMF." Trading on the OTCQB marketplace provides Mobilum Technologies' investors with greater access to data, disclosure, ease of trading, and transparency.

Mobilum is a payment services provider and technology developer catering to the crypto and payment industries. News of events such as the collapse of a major exchange such as FTX caused industry wide concerns, which potentially adds to volatility in digital asset prices and lessening transaction volumes. Neither FTX nor any of its associated companies were a Mobilum client.

Changes in Management and the Board of Directors

In March 2022, the Company appointed Mr. Wallace Mathai-Davis, Ph.D, to the Board of Directors. Mr. Mathai-Davis was the Co-Founder, Chairman & Managing Member of Quantalytics AI Labs, recently acquired by Forbes. He now serves on the Q.ai Board. Mr. Mathai-Davis has over 35 years of experience as a senior executive in international asset management and merchant banking. Mr. Mathai-Davis has been responsible for significant investment business and substantial investments in the diverse markets of Latin America, Asia, Eastern Europe and the European Union, in addition to North America.

In relation with his appointment the Company has issued 1,180,218 common shares of the Company (the “Shares”) to Mr. Mathai-Davis, as part of his compensation package under his services agreement. The Shares are subject to vesting annually over a three-year period.

In April 2022, the Company appointed payments industry veteran, Steven LaBella, as Chief Executive Officer. Mr. LaBella is a three-time Fintech Founder and CEO growing companies from founding to \$100M in ARR in less than 5 years. With over 20 years of leading industry expertise in domestic and international payments, mobile remittance and mobile wallets experience, Mr. LaBella is a builder of world-class technology and product development teams, both start-up and scaled growth companies. He also brings his experience in both B2B and Direct to Consumer digital businesses across multiple countries and products. Lastly, Mr. LaBella offers proven fundraising and networking skills, providing fruitful partnerships with hundreds of clients and ultimately delivering multimillion-dollar results to the bottom-line.

In relation with his appointment the Company has issued 1,500,000 common shares of the Company (the “Shares”) to Mr. LaBella, as part of his compensation package under his services agreement. The Shares are subject to vesting annually over a three-year period.

Wojciech Kaszycki resigned as CEO and will remain with Mobilum as Director and Chairman of the Board.

In June 2022, Ms. Gutte resigned as CFO and Mr. John Henderson was appointed interim CFO of the Company.

In November 2022, Ms. Kasha Piquette resigned as a Director and member of the Audit committee.

Products, technologies, and services

The Company currently has a suite of product offerings that is broad and modular giving us access to a larger share of the market.

Mobilum OU

Technologies have been added as a result of an acquisition finalized in July 2021. The Mobilum brand has been adopted as an umbrella brand to reflect the growth potential of the product.

Mobilum OU is a licensed fintech business, that builds powerful yet simple integrations for small and large businesses to accept payments and manage their cryptocurrency businesses online. Mobilum OU offers Plug & Play Fiat-to-Crypto gateway on-ramp solution for exchanges, wallets and cryptocurrency businesses, and also Visa - Mastercard payment methods.

Some key differentiators of our offering are:

- We’re the only **gateway to have a gift card off-ramp** complementing their on-ramp - this helps expand our global footprint, especially allowing us to capitalize on crypto economy in underbanked regions.
- **Global Coverage:** With the addition of Gift Cards among our offering we immediately raise our global footprints to over 120+ countries.

- Security of data processing and emphasis on **AML/KYC compliance**
- **Modular full-service product suite** that can be offered to a subsection of the market and can be white labeled. That means we offer seamless integration methods for a customized widget solution for our partners to integrate and process fiat to crypto transfers for their users.
- We are able to offer extremely competitive transaction fees and our business partnerships allow us **to scale up our global acquiring network**.

Mobilum sets a goal of no chargebacks, the highest acceptance rates, and the lowest transaction fees in the industry.

On October 26, 2021, the Company launched its updated Over-the-Counter (OTC) trading desk website, which is designed exclusively for high net-worth individuals and institutions looking to execute large-volume orders of Bitcoin and other cryptocurrencies for transactions above \$50,000. Mobilum gives customers access to a deep liquidity pool, diverse selection of digital assets, and a highly personalized service that allows customers to trade high volumes with zero slippage and competitive rates.

It is an important part of our strategy to identify our individual product offerings and match them with needs of suitable types in the industry:

Product	Exchanges	Hot Wallets	DeX	Protocols	Miners	NFT MarketPlaces	Hardware Wallets
Identify Management (KYC-as-a-Service)	✓	✓			✓		✓
On-Ramp (Fiat-to-crypto)	✓	✓	✓	✓		✓	✓
Off-Ramp (Fiat-to-crypto)	✓	✓	✓	✓	✓	✓	✓
OTC (Institutional Crypto buy/sell)				✓	✓	✓	✓
Liquidity provider (Proprietary trading/MM)	✓			✓			

The Company developed business relationships through executing on commercial contracts and onboarding of new partners & users. On October 4, 2021, Mobilum announced an on and off-ramp integration with Polygon, one of the world's largest blockchain protocols and frameworks for building and connecting Ethereum-compatible blockchain networks. The solution is now available at <https://polygon.mobilum.com>. On December 6, 2021, the Company announced the successful integration and launch of its fiat-to-crypto on-ramp widget on the BTSE exchange and JoomAce platforms. In December 2021, the Company signed an agreement to integrate into Ledger Live Platform, gateway for digital assets & web3. Under the terms of the agreement, Mobilum will integrate its gift card off-ramp widget directly into the Ledger app.

On December 1, 2021, Mobilum signed an agreement with leading fiat-to-crypto and payment infrastructure company Wyre to help accelerate the Company's US expansion. By integrating Wyre's API, Mobilum will gain access to Wyre's ACH payment rails and will have the ability to process automated clearing house (ACH) transactions for US clients on its on and off-ramping platform. The full integration with Wyre's banking rails is still in process.

Payment processing infrastructure

The Company, through its wholly-owned subsidiary Mobilum Pay Sp. z o. o. provides payment processing facilitation solution for regular fiat payments for acquirers and customers. Processor ("Customer") manages credit card terminal at POS enabling making transactions (payments for services) using credit cards for end-customers. Mobilum leverages modern technology and flexible infrastructure to create a seamless payment experience for businesses.

KYC services

The Company, through its wholly-owned subsidiary Mobilum Pay Sp. z o. o. provides KYC services for large customers and partners. The Company has necessary tools and knowledge to provide high quality KYC outsourcing services in alignment with legal and compliance requirements.

Impaired technologies and divestitures

Cryptobuddy

Cryptobuddy.ai was a predictive cryptocurrency trading signals platform, through the Company's wholly owned subsidiary, Bull Market Media Inc. In the period ending November 2021 management assessed, that the fair value of the asset was lower than their carrying value, therefore the Company recorded an impairment loss against the value of the acquisition. The Company continues to evaluate the perspectives of the acquired assets to assess the next steps.

uBuck

In August 2021 the Company decided to divest from uBuck (acquired in 2019). As a result of to the portfolio review executed by the board, it has been assessed, that the activities of the uBuck are no longer aligned with the company core competencies. Divestiture has been executed in order to simplify and re-align management's focus on growing its core businesses.

XPort Digital Limited

In October 2021 the Company decided to divest from XPort Limited (acquired in 2021). As a result of to the portfolio review executed by the board and changes in the economic climate in Asia, it has been assessed, that the activities of the XPort can be disposed of, in order to streamline the Company's structure and increase efficiency of operations.

CatalX

In February 2022, due to market uncertainties, the Company decided to impair its 19% equity investment in CatalX. As a result, Mobilum Technologies recorded an impairment loss of \$14,881,490 for the year ended February 28, 2022. Since future economic benefit arising from the investment could not be estimated reliably. The Company will continue to communicate with the CatalX management and will continue to monitor CatalX efforts to expand its operations.

Summary of Quarterly Results

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's consolidated financial statements. All dollar amounts are in U.S. dollars.

	Q3 November 30, 2022	Q2 August 31, 2022	Q1 May 31, 2022	Q4 February 28, 2022	Q3 November 30, 2021
Total assets	12,535,158	16,312,019	14,387,862	13,338,691	11,910,557
Working capital (deficit)	1,832,958	356,843	105,178	2,759,883	3,263,255
Shareholders' equity (deficiency)	9,268,289	7,784,930	7,539,745	10,194,596	25,393,762
Revenue	209,211	787,735	-	-	-
Net profit (loss)	976,229	(177,413)	(2,586,598)	(20,640,955)	(6,169,057)
Basic and diluted loss per common share	(0.01)	0.01	(0.02)	(0.15)	(0.05)

	Q2 November 30, 2021	Q2 August 31, 2021	Q1 May 31, 2021	Q4 February 28, 2021	Q3 November 30, 2020
Total assets	28,036,772	37,521,157	33,029,171	957,527	673,527
Working capital (deficit)	4,056,041	5,240,048	6,254,963	(328,697)	(602,543)
Shareholders' equity (deficiency)	26,227,099	36,607,276	31,953,017	(180,429)	(573,243)
Revenue	232,881	46,477	366	3,323	-
Net loss	(9,905,351)	(482,176)	(4,503,795)	(3,213,099)	(367,373)
Basic and diluted loss per common share	(0.01)	(0.01)	(0.01)	(0.04)	(0.01)

The Company generally saw a decrease in assets over the nine months ended November 30, 2022, due to an decrease in prepaid expenses and amounts receivable.

For the quarter ended November 30, 2022, the Company earned a profit of \$976,229 compared to a loss of \$177,413 for the quarter ended August 31, 2022. This favourable variance is primarily due to an adjustment of \$1,390,533 in subsidiary books to correct the revaluation of digital currencies.

The Company also saw a slight decrease in operating expenses to \$568,737 during the quarter ended November 30, 2022 compared to the quarter ended November 30, 2021 \$1,074,785. The decrease is mainly due to a decrease in General and administrative expenditure.

Other income increased during the quarter ended November 30, 2022 to \$1,335,755 compared to an expense of \$8,925,218 during the quarter ended November 30, 2021. The increase in income is mainly due to impairment of intangible assets and receivables and loss on disposal of subsidiary in previous year.

Quarterly results will fluctuate with changes in revenues, cost of sales, general and administrative expenses, including non-cash items such as share-based payments, and other items including foreign exchange and volatility of crypto-currency asset transaction.

Results of Operations

For the nine month ended November 30, 2022, the Company incurred a net loss of \$1,787,782 compared to \$14,749,594 for the nine months ended November 30, 2021.

Revenue generation

In the nine months ended November 30, 2022 the Company generated the revenue amounting to \$1,142,128. Revenue is mainly generated by the Mobilum OU operating activities through its infrastructure to facilitate OTC trading and providing KYC services.

The Company integrated appropriate revenue recognition policy and recognized most revenue on a net (agent) basis. As of reporting date, the Company estimated costs directly attributable to facilitating the transactions as being immaterial. These are primarily related to assets deposited by the customers of inventory nature but held in custody by the liquidity providers.

The Company is currently reviewing costing procedures for the purpose of improving financial reporting process in this area.

	OTC		Other		Total
Revenue	\$	556,597	\$	585,531	\$ 1,142,128
	\$	556,597	\$	585,531	\$ 1,142,128

The following table shows the breakdown by geographical region:

	Europe		North America		Total
Revenue	\$	1,142,128	\$	-	\$ 1,142,128
	\$	1,142,128	\$	-	\$ 1,142,128

Operating expenses summary

		Nine Month Ended		Three Months Ended	
		November 30, 2022	November 30, 2021	November 30, 2022	November 30, 2021
General and Administrative expenses					
Consulting fees	17	442,808	579,930	132,793	334,715
Depreciation of equipment	10,11	18,732	34,580	4,020	13,972
IT services		372,135	-	372,135	1.00
General office expenses		306,975	100,357	(510,879)	54,642
Lease interest		541	-	-	-
Interest and accretion	15	21,479	3,399	18,689	3,399
Legal fees	12	-	94,559	-	32,020
Management fees, director fees, salaries and wages	17	640,895	149,186	500,203	70,463
Professional fees		211,405	262,592	(185,970)	34,759
Rent	11	32,569	8,047	11,205	-
Other expenses		718,334	-	166,767	-
Stock-based compensation	17	-	3,940,179	-	190,222
Transfer agent and filing fees		48,921	72,351	25,227	21,947
Total General and administrative expenses		\$ 2,814,794	\$ 5,245,180	\$ 534,190	\$ 756,140
Marketing and promotion					
Marketing		\$ 173,237	\$ 1,478,329	\$ 34,575	\$ 289,595
Research and development					
Research and development		\$ 1,554	\$ 73,859	\$ (28)	\$ 29,051
Total operating expenses		\$ 2,989,585	\$ 6,797,368	\$ 568,737	\$ 1,074,786

Nine months ended November 30, 2022, compared to the nine months ended November 30, 2021

- General and administrative expenses include mainly consulting fees of \$442,808 (2021 - \$579,930), general office expenses of \$306,975 (2021 - \$100,357), management fees of \$640,895 (2021 - \$149,186), professional fees of \$211,405 (2021 - \$262,592) and transfer agent and filing fees of \$48,921 (2021 - \$72,351). Overall decrease is due to stock-based compensation during the comparative quarter of \$3,940,170 compared to \$Nil in the current quarter, which was offset by a \$491,709 increase in Management fee, \$372,135 increase in IT Services and \$718,334 increase in other expenses in the current quarter. The increase in other general and administrative expenses is related to entering the rapid growth phase and expanding the operations subsequent the acquisitions.
- Share-based payments for the nine months ended November 30, 2022 was \$nil (2021-\$3,940,179). Share-based payments are comprised of the issuance of stock options to directors, officers, employees, and consultants of the Company during the period. The decrease compared to the nine months prior year is mainly driven by issuance of significant amount of stock-based compensation to the management and consultants of the Company in November 2021.
- Consulting fees \$442,808 (2021-\$579,930) decreased compared to the prior period, general office expenses increased to \$306,975 for the nine months ended November 30, 2022 (2021 - 100,357); Management fees, director fees, salaries and wages increased to \$640,895 (2021 - 149,186); Professional fees increased to \$211,405 during the nine months ended November 30, 2022 (2021 - 262,592).
- Marketing expenses decreased significantly from \$1,478,329 during the nine months ended November 30, 2021 to \$173,237 during the nine months ended November 30, 2022. The decrease is due to the new management and directors evaluating marketing efforts for their effectiveness and planning a marketing approach going forward.

Liquidity

Working Capital

The net working capital, defined as current assets less current liabilities, decreased from \$2,759,883 as at February 28, 2022 to a \$1,832,958 as at November 30, 2022, due to a decrease in cash and due from Liquidity providers balance, a portion of that offset by the increase in Account receivables.

Cash

As at November 30, 2022, the Company had cash of \$929,065 compared to \$4,528,580 as at February 28, 2022. The decrease in cash is mostly due to the Company continuing to incur operating expenses and advances to suppliers.

Cash Used in Operating Activities

Cash used in operating activities during the nine months ended November 30, 2022 was \$4,367,357 compared to \$2,738,805 of cash used in operating activities during nine months ended November 30, 2021. Cash used in operating activities during the period was mainly for consulting fees, general office expenses, professional fees and management and director fees.

Cash Used in Investing Activities

Cash used by investing activities during the nine months ended November 30, 2022 was \$27,877 paid for acquisition of small equipment compared to \$1,436,835 of cash used in investment activities during the nine months ended November 31, 2021. Investment activities in the prior period consisted of cash used for the acquisition of investments \$194,894, the acquisition of small equipment of \$327,495, and cash generated as a result of the acquisition of intangibles \$914,446.

Cash Generated from Financing Activities

Cash used in financing activities during the nine months ended November 30, 2022 was \$41,587 compared with \$7,612,477 of cash generated by financing activities during the nine months ended November 30, 2021.

Cash used in financing activities during the nine months ended November 30, 2022 related to repayment of \$41,587 due to related parties. Cash generated from financing activities during the nine months ended November 30, 2021 was from issuance of common shares (net of share issuance costs) of \$7,997,242, \$20,130 proceed from CEBA loan, notes payable repayment of \$401,797, and \$91,297 proceeds from note payable.

The Requirement of Additional Equity or Debt Financing

The Company relies primarily on debt and equity financings for all funds raised to date for its operations. Until the Company starts generating profitable operations, the Company intends to continue relying upon the issuance of securities or debt financing to finance its operations.

Capital Resources

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the identification and evaluation of business opportunities and continue as a going concern. The Company considers capital to be all accounts in equity. The Company is not subject to any external capital requirements therefore 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. Additional funds are required to finance operations and development.

On April 12, 2022, the Company issued 1,180,218 shares in equity awards to a new director.

On May 2, 2022 the Company issued 1,500,000 shares in equity awards to the new CEO.

Related Party Transactions and Balances

Related parties include key management personnel and companies under the control of key management personnel. 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 Board, management of the Company and its subsidiaries.

As at November 30, 2022 and February 28, 2022, the Company has the following amounts due to its related parties:

Related party	November 30, 2022	February 28, 2022
Loans due to Company controlled by the former CEO	\$ 493,036	498,315
Corporate Secretary	4,291.16	4,633
Chief Operating Officer	-	1,310
Amount due to former CEO	-	8,300
Directors' fees	28,514	54,870
	\$ 525,841	567,428

During the nine months ended November 3, 2022 and 2021, key management compensation consisted of the following:

Compensation	November 30, 2022	November 30, 2021
Consulting fees	\$ 97,378	\$ 52,156
Management fees, director fees, salaries and wages	555,981	151,621
Accounting fees	62,500	16,546
Share-based compensation	135,904	3,283,136
	\$ 851,762	\$ 3,503,459

Significant Accounting Policies and Critical Accounting Estimates

All significant accounting policies and critical accounting estimates are fully disclosed in Notes 2 and 3 of the audited consolidated financial statements for the years ended February 28, 2022 and February 28, 2021 that are available on SEDAR at www.sedar.com.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that have, or are reasonably expected to have, a current or future effect on the results of operations or financial condition of the Company.

Proposed Transactions

As at the report date, the Company there are no proposed transactions that are reasonably expected to have a material effect on financial condition, financial performance, or cash flows.

Financial Instruments

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the consolidated financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data.

The Company's financial instruments consist of cash, amounts receivable, other receivables, fiat currency that is included in due from liquidity providers, due to/from related parties, investments, accounts payable and accrued liabilities, government loan, notes payable and demand loans and lease liabilities.

The following table summarizes at what level these financial instruments are valued at November 30, 2022 and February 28, 2022:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Instruments				
Investments	-	-	9,255	9,255
Total Financial Instruments	-	-	9,255	9,255

Financial Risk Management

Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its payment obligations. The Company has no material counterparties to its financial instruments with the exception of the financial institutions which hold its cash. The Company's credit risk arises from it deriving revenues from one major customer group (2022—one customer). Payments from this customer group are usually received within less than 30 days and management does not believe the Company has a material exposure to credit risk from this group.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. There is a risk that the Company may not be able to meet its financial obligation when they are due. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As of November 30, 2022, the Company has no financial assets that are past due or impaired due to credit risk defaults.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices, and foreign exchange rates.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

(ii) Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in prices. The Company's investments are exposed to price risk. The company holds cryptocurrency assets which are a part of a very volatile market.

(iii) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's presentation currency is the U.S. dollar and historically, major purchases have been transacted in U.S. dollars, while all of the financings to date have been completed in Canadian dollars. As the Company's revenues and general and administrative costs are primarily denominated in Canadian dollars, the Company will be exposed to effects of fluctuations in foreign exchange. The fluctuation of the Canadian dollar against the U.S. dollar will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholders' equity.

Capital Stock

As at November 30, 2022 and the date of this MD&A, there were 160,878,138 common shares outstanding, 17,865,000 stock options outstanding (14,415,692 stock options exercisable), and 10,351,000 stock warrants outstanding and exercisable.

During the nine months ended November 30, 2022:

On April 12, 2022, the Company issued 1,180,218 shares in equity rewards to a new director.

On May 2, 2022, the Company issued 1,500,000 shares in equity rewards to the new CEO.

During the year ended February 28, 2022:

On April 13, 2021, the Company closed a non-brokered private placement financing for total gross proceeds of CAD \$10,000,000. The Company issued 20,000,000 units at a price of CAD \$0.50 per unit. Each unit is comprised of one common share and one-half of one transferable warrant. Each whole warrant will entitle the holder to purchase one additional common share for a period of 60 months at a price of CAD \$1.00 per share, subject to accelerated expiry.

In April 2021 the Company signed a Definitive Agreement to acquire 100% of the Cryptobuddy.ai predictive cryptocurrency trading signals platform, through its wholly-owned subsidiary, Bull Market Media Inc., the Company issued consideration of 5,341,880 common shares in the capital of the Company.

On April 14, 2021, pursuant to the 19% investment interest in CatalyX, the Company issued 15,000,000 common shares pursuant to this agreement. In conjunction with closing of the investment a finders' fee was paid to an arm's-length party of 750,000 common shares.

On May 5, 2021, the Company issued 5,252,100 common shares to acquire 100% ownership interest X-Port Digital Limited.

On May 27, 2021, the Company entered into a debt settlement transaction with an arm's length party wherein the Company settled an indebtedness of CAD \$105,000 by issuing 164,062 common shares. Total of CAD \$105,000 was invoiced for consulting and settled in the reporting period. Share were issued on June 1, 2021.

In June 2021, the Company has granted an aggregate 625,000 incentive stock options (the "Options") to officers and employees of the Company. The Options are exercisable at CAD \$0.71 per share for a period of five years from the date of grant and vesting over a four-year period. In July 2021, 150,000 share options were cancelled.

On July 19, 2021, the Company has completed the acquisition of Mobilum OÜ ("Mobilum"), further to the indefinite agreement dated May 26, 2021. The company has acquired a 100% ownership in Mobilum in consideration of 26,666,667 common shares in the capital of the Company at a deemed value of \$0.60 per Share.

In September 2021, the Company has granted an aggregate 300,000 incentive stock options (the "Options") to employees of the Company. The Options are exercisable at CAD \$0.435 per share for a period of five years from the date of grant and vesting over a four-year period. The Company also entered into a consulting agreement (the "Agreement") with Soykan Garipoglu (the "Consultant") to provide investor relations services. Under the terms of the Agreement, the Consultant shall provide the services in consideration of a monthly payment of CAD \$3,500. The Consultant has received 50,000 stock options, exercisable at a price of \$0.435 per share and valid for a 3-year term. The options vest quarterly over a 1-year period.

On October 22, 2021, the Company has granted an aggregate 1,400,000 incentive stock options to directors and consultants. The Options are exercisable at CA\$0.36 per share for a period of five years from the date of grant and subject to vesting over two years.

In December 2021, the Company granted an aggregate 200,000 incentive stock options (the "Options") to management of the Company. The Options are exercisable at CA\$0.385 per share for a period of five years from the date of grant and portion is subject to vesting stages.

In January 2022, the Company granted an aggregate 4,850,000 incentive stock options (the "Options") to directors, advisors, and employees of the Company. The Options are exercisable at CA\$0.28 per share for a period of five years from the date of grant and portion is subject to vesting stages.

In January 2022, the Company granted an aggregate 4,850,000 incentive stock options (the "Options") to directors, advisors, and employees of the Company. The Options are exercisable at CA\$0.28 per share for a period of five years from the date of grant and portion is subject to vesting stages. 4,200,000 of the Options granted to the Directors replaced cancelled options granted in May 2021 and therefore were accounted for as modification.

On February 25, 2022, the Company issued 1,804,500 shares in equity awards for the directors.

On February 25, 2021, the Company granted an aggregate 1,750,000 incentive stock options (the "Options") to management, employees and consultants of the Company. 1,650,00 of the Options are exercisable at CA\$0.150 per share for a period of five years from the date of grant and portion is subject to vesting stages. 100,00 of the Options are exercisable at CA\$0.280 per share for a period of five years from the date of grant and portion is subject to vesting stages.

As at February 28, 2022, there was no common shares held in escrow (2021 – 14,850,000).

Stock Options

Stock-based compensation recognized in profit or loss for the nine months ended November 30, 2022 amounted to \$Nil (2021-\$3,604,627) and stock option transactions and the number of stock options outstanding as at November 30, 2022 and February 28, 2022 are summarized as follows:

	Number of Option	Weighted Average Exercise Price
Balance, February 28, 2021	6,740,000	\$0.258
Granted	15,975,000	0.521
Forfeited	(150,000)	0.710
Cancelled	(4,700,000)	0.800
Balance, February 28, 2022	17,865,000	0.780
Change for the period	-	-
Balance, August 31, 2022	17,865,000	\$0.78

Expiry Date	Weighted average Exercise Price	Numbers of options outstanding	Numbers of options exercisable	Weighted average remaining contractual life (year)
June 6, 2023	\$ 0.875	400,000	400,000	0.52
November 9, 2023	0.875	200,000	200,000	0.95
January 14, 2024	0.175	5,940,000	5,940,000	1.13
April 14, 2024	1.190	450,000	225,000	1.38
June 1, 2024	0.875	200,000	166,667	1.51
March 8, 2026	0.460	300,000	300,000	3.27
May 26, 2026	0.800	1,350,000	1,350,000	3.49
June 11, 2026	0.710	475,000	211,109	3.53
September 8, 2026	0.435	350,000	87,500	3.78
October 22, 2026	0.360	1,400,000	768,750	3.90
December 3, 2026	0.385	200,000	25,000	4.01
January 5, 2027	0.280	4,850,000	4,362,500	4.10
February 25, 2027	0.150	1,650,000	362,500	4.24
February 25, 2027	0.280	100,000	16,666	4.24
	0.214	17,865,000	14,415,692	2.86

Share Purchase Warrants

A summary of the warrant transactions for the nine months ended November 30, 2022 and February 28, 2022 is as follows:

	Number of warrants	Weighted average exercise price
Balance outstanding, February 28, 2021	-	-
Granted	10,351,000	\$ 1
Balance outstanding, February 28, 2022	-	-
Change for the period	-	-
Balance outstanding, August 31, 2022	10,351,000	\$ 1

As at November 30, 2022, the Company had the following warrants outstanding, enabling the holders to acquire the following number of common shares:

Expiry Date	Exercise Price	Numbers of warrants outstanding	Numbers of warrants exercisable	Weighted average remaining contractual life (year)	Weighted average exercise price
April 13, 2026	\$ 1.000	10,351,000	10,351,000	3.37	\$ 1.000
		10,351,000	10,351,000	3.37	\$ 1.000

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

The Company has exercised reasonable diligence and the filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made for the period covered by the filings.

The Company has exercised reasonable diligence, the consolidated financial statements together with the other financial information included in the filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the filings.

Risks and Uncertainty

An investment in the securities of the Company may be regarded as speculative due to the Company's stage of development. Risk factors relating to the Company could materially affect the Company's future results and could cause them to differ materially from those described in forward-looking statements relating to the Company. Prospective investors should carefully consider the following risks and uncertainties:

Additional Financing

The Company has a history of operating losses and uses the cash raised in equity markets to partially fund working capital. If adequate funds are not available when required or on acceptable terms, the Company may be required to delay, scale back or terminate its sales and marketing efforts, and may be unable to continue operations. There can be no assurance that the Company will be able to obtain the additional financial resources required to compete in its markets on favorable commercial terms or at all. Any equity offering may result in dilution to the ownership interests of shareholders and may result in dilution of the value of such interests. The preparation of 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Customer Acquisitions

The development activities of the Company may be funded by its customers through engineering services provided in addition to the Company's investment in enhancing its existing product lines. If the Company fails to develop new products, incurs delays in developing new products, or if the product or enhancements to existing products and services that the Company develops are not successful, the Company's business could be harmed. Even if the Company does develop new products that are accepted by its target markets, the Company cannot assure that the revenue from these products will be sufficient to justify the Company's investment in research and development.

History of Losses

The Company has a history of losses, and there can be no assurance that the Company's losses will not continue in the future. As at November 30, 2022, the Company had an accumulated deficit of \$58,659,903. The Company's prospects must be considered in the context of the implementation stage of its current strategy, the risks and uncertainties it faces, and the inability of the Company to accurately predict its results of sales and marketing initiatives. There can be no assurances that implementation of the Company's strategy will result in the Company generating and sustaining profitable operations.

Political risk

Compared with traditional and existing centralized financial systems, the cryptocurrency financial system is relatively new and has only limited history. Online cryptocurrency exchanges and trades therein operate with comparatively little regulation and are particularly liable to platform failures and fraudulent activities, which may have an effect on underlying prices of cryptocurrencies. Regulations are increasingly expected to incorporate digital assets into the global economy. Growing compliance needs will most likely entail additional compliance and control costs.

Product Development and Technological Change

The market for the Company's products and services is characterized by rapidly changing technology, evolving industry standards and frequent new product introductions. To be successful, the Company will need to enhance existing products and to introduce new products and features in response to changing standards, customer requirements, and technological innovations by others. There can be no assurance that the Company will be successful in doing this in a timely manner or at all. There can be no assurance that products or technologies developed by others will not render the Company's products obsolete or non-competitive.

Intellectual Property Protection

The Company's ability to compete may be affected by its ability to protect its intellectual property. It relies primarily on a combination of copyright, trademark, patent and trade secret laws, confidentiality procedures and contractual provisions to protect its intellectual property. While the Company believes that its products and technologies are adequately protected against infringement, there can be no assurance of effective protection. Monitoring and identifying unauthorized use of the Company's technology is difficult, and the prohibitive cost of litigation may impair the Company's ability to prosecute any infringement. The commercial success of the Company will also depend upon its products not infringing any intellectual property rights of others and upon no claims for infringement being made against the Company. The Company believes that it is not infringing any intellectual property rights of third parties, but there can be no assurance that such infringement will not occur. Any infringement claims against the Company by a third party, even if it is invalid, could have a material adverse effect on the Company because of the costs of defending against such a claim.

Customer Concentration

The Company's business and future success depend on the Company's ability to add new customers and expand within those customers. If certain significant customers, for any reason, discontinues their relationship with the Company, or reduces or postpones current or expected orders for products or services, or suffers from business loss, our revenues and profitability could decline materially.

Global Remittance is Intensely Competitive

The Company competes against larger, more established businesses in a very competitive, rapidly changing, highly innovative global payment industry that is increasingly subject to regulatory and public scrutiny. The Company competes in brand recognition, customer service experience, the simplicity and transparency of fee structures, websites, and mobile applications. Consideration needs to be given to the speed, availability, security, and reliability of the Company's systems and data. The Company seeks to compete against a wide range of established businesses such as money remitters, merchant and merchant associations that provide payment networks within their own network, paper-based transactions, traditional payment methods (wire transfers and automated clearing houses), and providers of virtual currency options. If the Company's product does not gain traction in the global remittance space, the Company will be forced to either revise or abandon the product, which may have a material impact on the Company's business.

Cyberattacks and Security Vulnerabilities

An increasing number of organizations, including large merchants, technology companies, financial institutions, and government institutions, have disclosed incidents of breaches of their information security systems, some of which have involved highly sophisticated and targeted attacks, which compromised their data, websites, mobile applications, and other digital infrastructures. The Company's information technologies and digital infrastructures, as well as its partners and vendors, may be susceptible to cyberattacks or security breaches. There is a risk that customers' personal or proprietary information and payment card data that the Company maintains may become compromised as a result of these potential cyberattacks. Breaches to systems and data, whether perceived or actual, may result in interruptions to operations and services, negative effects to the Company's brand, exposure to significant regulatory scrutiny, and possible legal and financial consequences. The potential effect of these results will adversely affect the Company's business and ability to operate as a going concern.

Dependence on Key Partnerships

The Company's future success significantly depends on the ongoing reliability, availability, and cost of services provided by strategic partners. The inability of the Company to secure and maintain contractual relationships with these partners or develop future strategic partnerships may have an adverse material effect on the Company's ability to operate as a going concern.

Dependence on Banking Relationships

The Company has secured banking relationships in Canada to deliver its principal products and services to its customers. The Company is also seeking to secure banking relationships internationally to deliver its principal products and services to its customers. Securing international banking relationships are critical in order to provide clearing services required for the functioning of transaction platforms and the success of the Company's Technologies' and business model. The process involved in obtaining necessary approvals and establishing international banking relationships with specific banks capable of providing the required services can be onerous and time-consuming. Any delays in establishing banking relations, termination of or failure to maintain the relationship the Company and the banks can be expected to have an adverse material effect on the Company's ability to operate as a going concern.

Dependence on Key Personnel

The Company's future success depends largely on its ability to attract and retain talented employees. The Company is highly dependent on a limited number of key personnel to maintain customer and strategic relationships. Loss of key personnel could have an adverse effect on these relationships and negatively impact the Company's financial performance. The Company's future results of operations will depend in part on the ability of its officers, management and other key employees to implement and expand operational, customer support and financial control systems and to expand, train and manage its employee base. The Company's future performance will also depend to a significant extent on its ability to identify, attract, train and retain highly skilled sales, technical, marketing and management personnel. If the Company were to lose the services of any key personnel, the Company might encounter difficulties finding qualified replacement personnel.

Management of Growth

The Company's future results of operations will depend in part on the ability of its officers and other key employees to implement and expand operational, customer support and financial control systems and to expand, train and manage its employee base. The Company's future performance will also depend to a significant extent on its ability to identify, attract, train and retain highly skilled sales, technical, marketing and management personnel. Substantial growth in the Company's initiatives may require the Company to raise additional capital through the issuance of additional shares or securing financing. There can be no assurance that the Company would be able to secure additional funding through these activities.

Stock Price Volatility

The market price for the common shares of the Company fluctuates significantly, and these fluctuations tend to be exaggerated if the trading volume is low. The market price of the common shares may rise or fall in response to announcements of technological or competitive developments, acquisitions or strategic alliances by the Company or its competitors, the gain or loss by the Company of significant orders or broad market fluctuations.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

Technological Obsolescence and Disruptions

Due to the fast-paced nature of the technology development that the Company is using, there is a very high risk of obsolescence. The Company must also be aware of the disruptions on the market and breakthroughs that may eventually threaten the existence of the business. The Company must also invest in the right hardware to maintain its operations.

Regulatory Risk and Tax Consequences

Given the relatively young nature of the industry, the laws and regulations surrounding it might not yet be fully developed and hence, the Company should be able to adapt to these changes. A full guideline on reporting and daily transactions concerning taxes and compliance is not yet in place therefore, the Company is subject to uncertainties that may affect its business.

The transactions described herein may have tax consequences in Canada or another jurisdiction, depending on each particular existing or prospective shareholder's specific circumstances. Such tax consequences are not described herein, and this MD&A is not intended to be, nor should it be construed to be, legal or tax advice to any particular shareholder. Existing and prospective shareholders should consult their own tax advisors with respect to any such tax considerations.

Forward-Looking Information

Certain statements contained in this MD&A constitute forward-looking statements within the meaning of applicable securities laws including, among others, statements made or implied relating to the Company's objectives including but not limited to, strategies to achieve those objectives, management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance, or expectations that are not historical facts. Forward-looking statements generally can be identified by words such as "objective", "may", "will", "expect", "likely", "intend", "estimate", "anticipate", "believe", "should", "plans" or similar expressions suggesting future outcomes or events. Such forward-looking statements are not guaranteeing of future performance and reflect management's current beliefs based on information currently available. Such statements involve estimates and assumptions that are subject to a number of known and unknown risks, uncertainties and other factors inherent in the business of the Company, and other materials filed with the securities regulatory authorities from time to time which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Those risks and uncertainties include but are not limited to: the ability of the Company to fund the capital and operating expenses necessary to achieve the business objectives of the Company; the dependence on key personnel; and the ability to access capital markets.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date such statements were made and readers are advised to consider such forward-looking statements in light of the risks set forth above. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statements to reflect new information or the occurrence of future events or circumstances. Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

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