BEE VECTORING TECHNOLOGIES INTERNATIONAL INC.
(FORMERLY UNIQUE RESOURCES CORP.)

FORM 51-102F1
MANAGEMENT'S DISCUSSION & ANALYSIS

August 24, 2016

The following analysis concerns the financial situation, operating results and cash flows of Bee Vectoring Technologies International Inc. (formerly Unique Resources Corp.) ("BVT" or the "Company") for the three and nine months ended June 30, 2016, and the comparable periods ended June 30, 2015. The discussion should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended June 30, 2016 and related notes thereto and the annual audited financial statements for the year ended September 30, 2015 and 2014. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are reported in Canadian dollars unless otherwise noted. These documents, as well as additional information on the Company, are filed electronically through the System for Electronic Document Analysis and Retrieval (SEDAR) and are available online at www.sedar.com.

Forward-Looking Statements

This document may contain forward-looking statements relating to the Company's operations or to the environment in which it operates, which are based on the Company's operations, estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict or are beyond the Company's control. A number of important factors including those set forth in other public filings could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. Consequently, readers should not place any undue reliance on such forward-looking statements. In addition, these forward-looking statements relate to the date on which they are made.

Forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions it believes to be not unreasonable in light of all of the circumstances. In some instances, material factors or assumptions are discussed in this MD&A in connection with statements containing forward-looking information. Such material factors and assumptions include, but are not limited to: the forecasted demand for the Company's imaging services; the Company's success in obtaining patents for key technologies; the Company's success in expanding its product offerings; the Company's success in building differentiated applications and products; the ability of the Company to achieve rapid incremental customer growth; the Company's ability to retain key members of its management and development teams; and the Company's ability to access the capital markets. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is made as of the date of this MD&A and, other than as required by law, the Company's disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

Company History and Business Overview

The Company was incorporated as Unique Resources Inc. pursuant to the provisions of the Business Corporations Act (British Columbia) on May 20, 2011. On June 1, 2015, the Company entered into a share exchange agreement with Bee Vectoring Technologies Inc. ("BEE") pursuant to which the Company would acquire all of the issued and outstanding shares of BEE (the "Transaction") in exchange for 19,200,000 post –consolidated common shares of the Company at a deemed issue price of $0.25. The Transaction closed on June 30, 2015 and upon completion of the Transaction, BEE became a wholly owned legal subsidiary of the Company. The acquisition was classified as a Reverse Take-over defined in Policy 5.2 by the TSX Venture Exchange Inc. (the "Exchange"). The combined entity continues to carry out the business of BEE.

On June 30, 2015 the Company changed its name to Bee Vectoring Technologies International Inc. The common shares of the Company commenced trading on the Exchange under the stock symbol "BEE.V" on July 7, 2015.

BVT is a development stage company which owns the patent pending technology specifically designed to utilize bees as natural delivery mechanisms for a variety of powdered mixtures comprised of organic compounds or currently used products which inhibit or eliminate common crop diseases, while at the same time promoting the growth of the same crops. This application process is without the use of water which is beneficial to areas under strict water management practices. In addition independent companies can deliver their biocontrol's through the BVT platform allowing a broad spectrum of applications.

The bees walk through the powder mixtures as they exit their hive and the mixture becomes temporarily attached to their legs en-route to the flowers containing the crops of interest. The BVT System consists of a dispenser tray that is incorporated into the lid of commercially reared bumblebee hives. The dispenser has a removable tray that can contain non-toxic, organic, pesticides and fertilizers in powdered form, including BVT's proprietary carrier Vectorite™. Vectorite allows the bumblebees to effectively pick up the inoculums on their way out of the hive. Multiple inoculums for a variety of different pathogens can be mixed in the Vectorite™ in a process called "stacking". BVT has its own bio control organic inoculant fungi, BVT-CR7, used to inhibit and control pathogens in high value crops such as strawberries, blueberries, Tomatoes, Canola, Sunflowers.

The trays are changed approximately every three to nine days in order to replenish the depleted inoculum, ensure the freshness of the inoculant fungi, prevent infections to the bees which may result from bee waste, and avoid packing or clumping of the inoculum in the trays. No special skills are required to replace the trays and they take a minimal amount of time to put in place. Exact and predetermined amounts of inoculum are placed in the tray as well as other kinds of inoculum for certain applications. BVT has custom designed machinery to precisely fill these sealed trays called Vectorpaks™

Summary

BVT was established with a view to providing effective protection of crops against disease organisms and insect pests, which is critical for achieving high yield and quality in many pollinated crops. Inadequate protection of crops can lead to major losses in yield and quality of fruit and seed. BVT possesses a patent pending organic crop control and delivery system that has numerous competitive advantages over commercial pesticides and their applications.

The current technology used for protecting the flowers of crops relies heavily on the use of chemical pesticides (fungicides and insecticides) applied as sprays while the crops are in bloom. Problems with current spray technology include:

- Limited effectiveness because many flowers may open and die during spray intervals and therefore remain untreated. Sprays generally protect flowers for only 3-4 days. As many as half of the flowers during the entire bloom period of a crop may remain untreated by spray programs.
- Most of the pesticide is deposited on non-targets, such as soil and leaves.
- Pesticide sprays often kill or inactivate many beneficial organisms present in crops.
- Pesticide use risks contamination of the environment, such as soil and water resources.
- Pesticides can contaminate foods and feeds, such as fruits and seeds.
- With many crops, such as greenhouse tomatoes, workers cannot re-enter the crop for hours or days after pesticides are applied, which is disruptive to crop production practices and labour use.

- Many pesticides lose their effectiveness with repeated use as disease organisms, as pests and plants become resistant and insensitive to the repeated use of certain chemicals.
- Many chemicals require substantial amounts of water to be used as part of the delivery system and result in issues of run-off to the water table.
- Current chemicals are suspected of killing insects and bees and other organisms long after application with possible long-term detrimental effects on the environment.

BVT's patent pending technology uses predominantly bumblebees but also can use honey bees as a system to deliver naturally-occurring beneficial fungus and other beneficial microbes to flowering plants. BVT offers an organic means to control diseases and pests and provide plant enhancing properties while requiring zero water for delivery. The delivery method allows for delivery of BVT inoculums either individually or together with other bio controls. Multiple bio controls could be mixed together for delivery by bees to solve a range of problems. The platform can deliver many inoculums or pathogen controlling products effectively. The flower is an effective portal to deliver these controls to crops and bees are the ideal natural way to get to the majority of the blooms. Bees will touch almost all flowers that are in bloom thereby delivering inoculum consistently throughout a bloom period.

Prior to 1990 virtually no bees were used for pollination in greenhouses, however today greenhouses worldwide use bees to pollinate vegetable crops and fruits. The process of using bees as a delivery system is called "bee vectoring". BVT will employ these same bees to deliver inoculants on outbound trips to assist in crop pest control and to deliver a fertilizer or plant enhancer products in greenhouse crops and outdoor crops.

BVT currently targets two primary diseases with its own bio control BVT-CR7, Botrytis and Sclerotinia.

Botrytis

Strawberries, blueberries or raspberries often grow grey fuzz, which appears over time as the berries are stored or refrigerated resulting in waste. This is Botrytis and it becomes more active as the produce ripens in shipment or storage. The fungal pathogen, Botrytis cinerea, causes blossom blight and berry rot. It overwinters as mycelium in dead leaves and mummified berries of affected crops and as minute black bodies (sclerotia) such as on raspberry canes. Under humid conditions throughout the growing season, spores (conidia) are produced on minute tree-like structures (conidiophores) that grow on the dead foliage, old berries and on sclerotia. In mass they appear greyish hence the name "grey mold". The spores are dispersed in their millions by wind, rain, and overhead irrigation, many to new leaves, flowers and berries. Under favorable conditions of moisture and temperature the spores can germinate and infect these aerial parts of the crop.

The fungus can infect leaves of almost any age but it remains quiescent and latent inside the leaves until they senesce and turn yellow. Young canes (primocanes) of raspberries can be infected via the leaf petioles and may wilt, die and be covered with grey mold. Flowers of all berry crops are highly susceptible to Botrytis infection. Germinating spores of the fungus can readily infect and colonize all flower parts throughout the bloom period, often turning the blossoms brown. It is from this important entry point that the fungus is able to grow and establish latent infections within the young fruit. Fruit infections generally remain quiescent and without symptoms until the berries are nearly ripe or have been harvested. In strawberries and raspberries, spores produced on unpicked, leaky, or overripe fruit may lead to further flower and fruit infections in the crop.

Sclerotinia

The soil borne pathogen Sclerotinia causes white mold diseases can seriously damage and in some cases quickly and completely destroy a crop. Numerous kinds of crops can be attacked, including canola, sunflowers, blueberries and strawberries.

Sclerotinia white mold is a significant risk in all fields of canola and sunflowers in Canada and in many other regions of the world. No viable solution exists for sunflowers as spraying is impractical due to height of the flowers and the frequency of applications needed for adequate control. In many areas, fungicides are no longer effective against Sclerotinia on account of pathogen resistance.

These two diseases, Botrytis and Sclerotinia, are very closely related and part of the reason BVT's patent pending bio works on both pathogens. BVT's patent pending bio controls diseases by spatial occupation of plant tissues and

preempting tissue invasion by pathogens. As soon as bees deliver BVT's patent pending bio to flowers, the fungus germinates and colonizes the flower tissues without causing any harm or symptoms. It colonizes earlier and faster than disease organisms and thereby occupies space the disease organisms would normally use while attacking the plant.

Principal Products
BVT has patents pending for the following technologies:

1. a bio-control called "BVT-CR7": a particular strain of fungus acting as a beneficial endophyte controlling targeted crop diseases and increasing crop yield;
2. Vectorite™: a recipe of ingredients that allows bees to carry BVT-CR7 and other beneficial fungi or bacteria in their outbound flights to the crops; and
3. An integrated dispenser and removable and sealable tray system in which the Vectorite containing BVT-CR7 is placed through which the bees pass and pick up the BVT-CR7.

BVT-CR7, is an organic strain of a natural occurring endophytic fungus. It has not been genetically modified or altered in any way. Bees and plants are well accustomed to this kind of fungus and it is harmless to humans. After delivery by the bees to the crops it dies out naturally within 24-48 hours if it is unable to find suitable host plants. BVT-CR7 is a selected strain of a fungus that is common found in a large diversity of plants and soils all around the world. It grows harmlessly in the inside of plant tissue. BVT-CR7 is able to control numerous diseases but is especially effective for controlling those caused by the fungal pathogens, such as Botrytis and Sclerotinia discussed above. BVT-CR7 is endophytic in flowers, fruits, leaves, stems, and roots of plant hosts. It does not cause disease or substances toxic to plant tissue. Other microbial agents are not endophytic or have very limited endophytic ability.

As an endophyte, BVT-CR7 also enhances plant growth by organically increasing nutritional uptake, improving root size and structure, improving vegetative growth and size of plants, increasing the number of flowers and flower size, increasing resistance to diseases and environmental stresses, and preventing Botrytis and Sclerotinia development. BVT-CR7 has no re-entry issues (i.e. the time workers have to be excluded from the greenhouse to allow conventional pesticides to dissipate), it can be used up to the day of harvest, it's organic, and its beneficial effects last longer than traditional chemical fungicides.

Berries developing from BVT-CR7 treated flowers have natural built-in protection against diseases and consequently last longer and have a longer shelf life. This gives growers additional valuable time to get the fruit to market and consumers more time to enjoy the fruit. Blueberries, for example, sometimes require 14 days just to get to market.

One of the significant benefits to this system is the fact that many bio controls can be used together to cover more diseases and pests than just those targeted by BVT-CR7, thereby reducing costs and making this system more effective. For example, Thrips are present in almost all greenhouses in the world and a significant issue to the grower. The additional bio control BVT will use will likely be Beauveria, a fungus already registered and produced by third parties for use in spraying applications but at significant cost. Beauveria is used to control Thrips which either spread a virus that kills crops or lays their eggs in fruit like strawberries rendering them useless. Most if not all greenhouses, including flowering or ornamental greenhouses, in the world, suffer from Thrips.

BVT has developed an inoculum dispenser system that is incorporated into the lid of the commercial bumble bee hive. In the dispenser is a removable tray that contains, in powder form, the inoculant fungi and a mixture of products (being, Vectorite) that allows the bees to effectively pick up the product on their way out of the hive. The trays are changed every three to nine days in order to replenish the depleted inoculum, ensure the freshness of the inoculant fungi, prevent infections to the bees which may result from bee waste, and avoid packing or clumping of the inoculum in the trays. No special skills are required to replace the trays and they take a minimal amount of time to put in place. Exact and predetermined amounts of inoculum can be placed in the tray as well as other kinds of inoculum for certain applications. Vectorite allows the inoculant to get attached to the bee's hairy legs and bodies as they walk through the tray on their way out of the hive.

Bumblebees, as opposed to honeybees, are used because of their efficiency and effectiveness in distributing BVT-CR7. Bumble bee hives are produced commercially and are approximately 14 x14 x10 inches in dimension. Each hive holds up to 300 bumble bees and the bees live for live for approximately 5-6 weeks then die out naturally. At the end of this cycle, the hives are destroyed. Bumble bees are natural pollinators making thousands of trips a day each and visiting approximately 10 flowers per minute. Bumble bees fly in colder temperatures than honey bees do (12 C° versus 17 C° for honey bees). In addition, they carry 10 times more pollen and inoculant than honey bees up to 100% of their body weight. Bumblebees are much less aggressive and agricultural workers can stay in the greenhouses and continue their duties when the bees are present.

Factors Concerning the Company's Financial Performance and Results of Operations

The key performance indicators for the Company are revenue growth, EBITDA and net income.

The success of the Company to expand will be measured by revenue growth. Revenue growth will be dependent on the Company being able to penetrate new markets and gain new customers through acquisitions, and continued development of its technologies.

Management believes that net income is a measure of how efficiently and effectively the business is running. The Company is in a period of expansion and growth. Therefore, selling and general administration costs will increase over the next twelve months. To achieve an acceptable net income, management will need to balance the increase in selling and general administration costs and revenue growth. Net income is also viewed as an important measure for determining the value created for shareholders.

Management believes that in addition to revenue and net income, earnings from continuing operations before interest and finance costs, taxes, depreciation and amortization, other non-cash items and one-time gains and losses (for the purposes of the Company's MD&A, EBITDA) as derived from information reported in the statements of operations and comprehensive income is a useful supplemental measure as it provides an indication of the results generated by the Company's principal operating segments but also factors in the administrative expenses incurred during the period. It is believed that EBITDA will become a more meaningful metric in the future when it has had a chance to benefit from the planned marketing and development activities and the building of the required infrastructure to support recurring sales.

Summary of activities

- Former Syngenta executive Albert (Bobby) Bassi Jr., Ph.D., was appointed to the position of Senior Technical Manager. Mr. Bassi has extensive experience within the agricultural technology industry having held senior positions in technical research, marketing, and product launches over the past 31 years. He received his Bachelor of Science Degree from Louisiana State University in Agriculture, a Master's of Science Degree in Horticulture/Plant Pathology at Mississippi State University, and a Ph.D. at the University of Arkansas in Plant Pathology. Mr. Bassi will be responsible for the management of all US-based trials and demonstrations of the company's proprietary organic crop protection system.

- **BVT System Trials - Strawberries**

  Independently verified results from US strawberry grower trials - carried out last winter in Florida and Carolina - delivered the following summaries;

  "*The numeric differences in yield between the treatments showed that the BVT treatment was substantially superior to that of the Fungicide program (non BVT) control throughout the season."*

  "The numeric differences between the treatments showed that the patterns of Botrytis gray mold suppression by the BVT treatment were in general substantially superior to that of the Fungicide program (non BVT) control throughout most of the crop season."

During the demonstrations, BVT's system delivered equal or better disease protection and 30+% increases in fruit yields over those treated with current commercially sprayed pesticides. This forms the basis of the foundational program that BVT is establishing with growers. BVT's system is a preventative method of plant protection which allows growers to abstain from overuse of chemicals. There are an increasing number of chemical pesticide products losing their efficacy through resistance build up in plants as a result of excessive use. Widespread adoption of the BVT system by growers enables the lifespan of these products to be prolonged, through their use only being necessary in cases of extreme infestation.

Every growing partner BVT has worked with to date has initiated second rounds of BVT demonstrations on larger sites. These demonstrations are due to commence in the next growing season starting in December, 2016 in Florida and the Carolinas.

BVT is actively pursuing opportunities to have 1000+ acres of strawberries under demonstration this winter with leading growers that collectively control 10% of the USA strawberry output. Further strawberry and raspberry trials are also scheduled for the fall of 2016 with notable growers in Mexico, Spain and Serbia. Serbia is the largest global producer of raspberries and currently uses bees extensively for pollination purposes.

- **BVT System Trails - Sunflowers**

  Trials to combat Sclerotinia in sunflowers are currently underway in North and South Dakota and Minnesota. All trials are being conducted under strict protocols being administered by the North Dakota State University (NDSU). Damage caused by Sclerotinia in sunflowers delivers significant financial losses to growers every year and there is currently no commercial system to control the disease. Due to the urgency to find a preventative control in the US, larger demonstration sites are being made available to BVT by influential sunflower growers. Verified results on these trials are expected to be released in October, 2016. If these are in line with positive results achieved in previous BVT trials on Sclerotinia control, it is expected that an application for Section 18 will be sought by US growers. Approval would allow BVT to immediately make claims and sell its products to US sunflower growers in 2017. In the event of Section 18 approval, BVT's aim would be to have 50,000 acres of sunflowers being treated with its system in 2017.

- **BVT Regulatory Approvals & Strategic Positioning**

  Since going public in July 2015, BVT has finalized the development of its facility and commenced commercial production of active ingredients used in its system. These products are required to verify correct production samples as required for regulatory purposes by the Environmental Protection Agency (EPA) in the USA and the Pest Management Regulatory Agency (PMRA) process in Canada. Full toxicology testing has been conducted and completed by third party laboratories - Stillmeadows Incorporated, Texas - in accordance with required regulations. As expected, results positively demonstrated BVT's organic inoculant to be safe for humans, the environment and bees. These laboratory reports, which took seven months to complete, will form part of BVT's EPA and PMRA submissions. The BVT submission to EPA is being managed by Senior Personnel at Technical Services Group LLP and favourable pre-submission meetings were held in March, 2016 in Washington DC with the EPA.

- During fiscal 2016, the Company has raised gross proceeds of $2,602,407 in equity financings.

Results of Operations

The following discussion of the Company's financial performance is based on the condensed interim consolidated financial statements for the three and nine months ended June 30, 2016 and 2015.

The financial position as of June 30, 2016 indicate a cash and cash equivalents balance of $2,057,118 (September 30, 2015 - $1,590,627) and total current assets of $2,220,064 (September 30, 2015 - $1,853,179). The increase in total current assets was attributed to the cash received from the two financings completed during the period. During the period, long term assets also increased due to the purchase of furniture and equipment, and registration of patents (included in intangible assets). Current liabilities at June 30, 2016 totalled $116,987 (September 30, 2015 - $118,342) and comprised of trade payables and accruals.

Working capital, which is comprised of current assets less current liabilities, is $2,103,077 at June 30, 2016 compared to $1,734,837 at September 30, 2015.

For the three and nine months ended June 30, 2016, the Company has a net loss of $717,739 and $1,947,569, respectively, compared to a net loss of $2,016,928 and $2,097,746 for the three and nine months ended June 30, 2015. As a result of closing the Transaction and related private placement, the Company had the funds to advance its business plan. As a result, all expense items increased. In the prior period, there was little activity in the Company as it had few funds available.

Revenue:
The Company is in the development stage and will not have any significant revenues until registration and regulatory approvals are received. No revenues have been reported for the three and nine months ended June 30, 2016 and 2015.

Expenses:
Expenses for the three and nine months ended June 30, 2016 and 2015 consisted of office and general, stock based compensation, research and development, and trial expenses as follows:

	Three months ended June 30,		Nine months ended June 30,	
	2016	2015	2016	2015
Expenses				
Office and general	$ 444,096	$ 223,901	$ 1,456,627	$ 300,439
Interest on debentures	-	1,290	-	5,570
Stock based compensation	107,900	-	199,475	-
Research and development	87,119	-	87,119	-
Listing expense	-	1,791,737	-	1,791,737
Trial expenses	79,729	-	205,453	-
	$ 718,844	$ 2,016,928	$ 1,948,674	$ 2,097,746

Office and general:
Below is a breakdown of what comprised office and general for the three and nine months ended June 30, 2016 and 2015:

	Three months ended June 30,		Nine months ended June 30,	
	2016	2015	2016	2015
Small tools and supplies	$ 1,433	$ -	$ 14,031	$ -
Freight	234	-	2,755	-
Travel	31,882	11,379	115,788	11,379
Legal	39,912	151,455	101,338	170,184
Accounting and audit	11,475	27,395	33,830	54,961
Transfer agent	9,732	14,709	26,892	14,709
Advertising and marketing	88,693	6,323	272,318	6,323
Occupancy costs	22,208	114	61,399	17,173
Insurance	10,916	-	17,401	-
Salaries and benefits	78,178	1,407	197,494	1,407
Office and general	8,160	2,919	77,845	3,867
Amortization and depreciation	18,855	4,668	62,112	11,543
Interest and bank charges	2,216	3,532	3,723	8,893
Consulting	120,202	-	469,701	-
	$ 444,096	$ 223,901	$ 1,456,627	$ 300,439

Major changes in office and general expenses included:

- Small tools and supplies consist of small items for the laboratory and production facility. No expense was incurred in the prior periods as the Company did not yet have such a facility.
- Travel increase due to the travel required to set up trials and demonstrations of the Company's crop inoculation products in various locations. In addition, travel was required for meetings and conferences abroad.
- Accounting and audit – consisted mainly of audit accruals.
- Transfer agent –In the prior period the company was not public and therefore did not require the services of a transfer agent.
- Advertising and marketing – on closing the Transaction on June 30, 2015, the Company initiated different marketing initiatives to increase awareness of the Company and its products.
- Occupancy costs – relates to the rental costs for the Company's office, laboratory and production facility.
- Insurance – Director and Officers insurance commenced on closing the Transaction.
- Consulting – Upon closing the Transaction on June 30, 2015, the Company contracted various consultants in different capacities (ie Chief Financial Officer, VP Operation, Plant Health Consulting and others) to help run the business and advance the business plan.
- Insurance – Director and Officers insurance commenced on closing the Transaction.
- Legal – Includes general corporate as well as fees related to the Company's listing on the OTCQB.
- Salaries and benefits –The Company commenced employing personnel in August 2015.
- Amortization - related to equipment, moulds and dies.

Stock based compensation:
This expense relates to the value of stock options that vested during the period. This is a non-cash expense.

Research and development:
The Company's products are required to be verified as required for regulatory purposes by the Environmental Protection Agency (EPA) in the USA and the Pest Management Regulatory Agency (PMRA) in Canada. During the period the Company contracted a third party laboratory to complete full toxicology testing's.

Trial costs:
This expense relates to trials and demonstrations of BVT's crop inoculation products and bee delivery platform.

Summary of quarterly results

Three Months Ended	Net Revenues ($)	Net Loss	
		Total ($)	Basic and Diluted Income (Loss) Per Share ($)
30-Jun-16	-	(717,739)	$ (0.02)
31-Mar-16	-	(619,344)	$ (0.01)
31-Dec-15	-	(610,486)	(0.01)
30-Sep-15	-	(895,746)	(0.01)
30-Jun-15	-	(2,016,928)	(0.33)
31-Mar-15	-	(29,278)	(0.00)
31-Dec-14	-	(51,540)	(0.01)
30-Sep-14	-	(72,676)	(0.01)

Liquidity and Capital Resources

	June 30, 2016	September 30, 2015
	$	$
Cash	**2,057,118**	1,590,627
Working capital	**2,103,077**	1,734,837

For the nine months ended June 30:	**2016**	2015
	$	$
Cash used in operating activities	**(1,572,589)**	32,518
Cash from (used) in investing activities	**(221,963)**	(108,332)
Cash from in financing activities	**2,261,043**	85,232

Cash used in operating activities
Cash used in operating activities for the nine months ended June 30, 2016 increased by $1,201,661 compared to the nine months ended June 30, 2015. Cash used in operating activities for the nine months ended June 30, 2016 and 2015 were:

		2016		2015
Cash flow from operating activities				
Net loss for the period	**$**	**(1,947,569)**	$	(2,097,746)
Items not affecting cash				
Share based payments		**199,475**		-
Services settled with issuance debenture		**-**		100,000
Transaction costs		**-**		1,718,292
Depreciation and amortization		**62,109**		11,542
		(1,685,985)		(267,912)
Net changes in non-cash working capital items				
Accounts receivable		**32,624**		(44,492)
Prepaid expenses and deposits		**88,128**		30,157
Inventory		**(21,146)**		-
Deferred expenses		**-**		23,444
Accounts payable and accrued liabilities		**13,790**		(112,125)
		(1,572,589)		(370,928)

Cash flows used in investing activities

Major components of this period included $149,904 spent on patent registrations, and $97,339 spent on machinery, equipment and furniture for the office and production facility. These expenditures were offset by a $35,000 allowance received for leasehold improvements made in the summer of 2015.

Cash flows from financing activities

Cash generated from financing activities for the nine months ended June 30, 2016 included net proceeds of $2,069,291 received from the issue of common shares and warrants from the closing of two private placements, and $206,896 received from the exercise of warrants and options. These cash flows were offset by the repayment of related party loans in the amount of $15,144.

Future Financing

Notwithstanding its cash position at June 30, 2016, the Company will need additional financing for costs related to operations and its growth strategy. Management recognizes the need for improved cash flow and liquidity for future operations and growth. Management closely monitors the Company's current cash position and the short-term and long-term cash requirements. The Company may be required to obtain additional funding to take advantage of the market opportunities. If additional funding is required, an issuance of common shares or a commitment to issue common shares will most likely be a component of the funding.

The Company's operations currently generate negative cash flow and may depend on future equity issuances or other means of financing to assist in financing its operations, cover administrative costs and finance growth.

The ability of the Company to continue operations will be dependent upon obtaining additional financing as required. The timing and ability to do so will depend on the liquidity of the financial markets as well as the acceptance of investors to small cap companies, in addition to the results of the Company's operation. There can be no guarantee that the Company will be able to secure any required financing.

Commitments

The Company leases office space for their headquarters in Mississauga Ontario. The lease is for five years with annual minimum lease payments as follows:

Year		Minimum lease payment
2016	$	13,370
2017	$	53,483
2018	$	55,064
2019	$	56,789
2020	$	58,515
thereafter	$	4,888

Off Balance Sheet Arrangements

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

Related Party Transactions

During the nine months ended June 30, 2016, the Company was charged $22,500 (plus HST) (2015 – $nil), by CFO Advantage Inc., a Company owned by the Chief Financial Officer of the Company, for the services of the Chief Financial Officer.

During the nine months ended June 30, 2016, the Company repaid a $15,144 non-interest bearing advance that was due on demand.

Key management includes members of the board, the Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for the six months ended March 31, 2016 and 2015:

	2016		2015
Salary, consulting fees and other short-term benefits	**$ 95,625**	$	-
Share based payments	**91,575**		-
	$ 187,200	$	-

Proposed Transactions

As at the date of this MD&A there are no proposed transactions.

Accounting Estimates and judgements

The preparation of these consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The consolidated financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Intangible assets valuation
The values associated with intangible assets involve significant estimates and assumptions, including those with respect to future cash inflows and outflows, discount rates and asset lives. These estimates and assumptions could affect the Company's future results if the current estimates of future performance and fair values change. These determinations will affect the amount of amortization expense on definite life intangible assets recognized in future periods. The Company assesses impairment by comparing the recoverable amount of an intangible asset with its carrying value. There recoverable amount is defined as the higher of value in use, or fair value less cost to sell. The determination of the recoverable amount involves management estimates.

Useful life of moulds and dies
Significant estimates are made as to the useful lives of moulds and dies, which have been estimated to be five years.

Useful life of property plant and equipment
Significant estimates are made as to the useful lives of property, plant and equipment.

Share-based payments
The Company uses the Black-Scholes Option Pricing Model to calculate the fair value stock options and of common share purchase warrants issued. The model requires the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options and common share purchase warrants.

Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2015 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 Revenue from Contracts with Customers specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of consolidated financial statements with more informative relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. The standard is effective for period's beginning on or after January 1, 2018.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets were amended by the IASB in May 2014. Amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset in not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodies in the asset, The IASB also clarified that revenue is

generally presumed to be an inappropriate basis for measuring the consumption of the economic benefit embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. The effective date is for annual periods beginning January 1, 2016. Earlier application is permitted, but not required.

Financial Instruments

Fair Value
Financial instruments of the Company consist of cash, accounts receivable, accounts payable and accrued liabilities, due to related parties, promissory notes and convertible debentures. There are no significant differences between the carrying amounts of the items reported on the statements of financial position and their estimated fair values because of the short-term maturities of these items.

The Company's risk exposures and their impact on the Company's financial instruments are summarized below.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, foreign exchange risk, commodity price risk and other price risk, such as equity risk. Financial instruments affected by market risk include deposits.

Interest rate risk
The Company is exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short-term nature of interest bearing cash.

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company's maximum exposure to credit risk at the end of the reporting period is the carrying value of its financial assets. Cash is held with large financial institution in Canada, and management believes that exposure to credit risk is not significant.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

The Company's accounts payable and accrued liabilities are subject to normal trade terms and have contractual maturities payable within 30 days for 2016 and 2015. At March 31, 2016, the Company has current assets of $1,339,927 (September 30, 2015 - $1,853,179) and current liabilities of $96,292 (September 30, 2015 – $118,342) resulting in working capital of $1,243,635 (September 30, 2015 – $1,734,837).

Disclosure of Share Capital

As at the date of this report the Company had 48,281,395 common shares issued and outstanding.
As at the date of this report the Company had 5,040,554 share purchase warrants outstanding.
As at the date of this report the Company 3,591,600 stock options outstanding.

Risks

See risk section detailed in the Company's filing statement as filed on SEDAR on June 1st, 2015