Glance Technologies Inc.

Interim Management's Discussion and Analysis
Quarterly Highlights for Venture Issuers
Period Ended August 31, 2017
Prepared as of October 25, 2017

200-1238 Homer Street
Vancouver, B.C. V6B2Y5

Telephone: (888) 288-6044

General

The consolidated entity (referred to as "Glance") presents the interim consolidated statements, including its wholly owned subsidiaries. The following interim Management's Discussion and Analysis (MD&A) of Glance provides an overview of the financial activities for the three and nine months ended August 31, 2017. It has been prepared to provide an update since its last interim MD&A for the period ended May 31, 2017. Since this information is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the consolidated financial statements, which provide information about the activities of the Company as a whole and presents a longer-term view of the Company's finances. All financial information, unless otherwise indicated, has been prepared in accordance with International Financial Reporting Standards (IFRS) and in Canadian dollars. Additional information relating to the Glance and its operations can be obtained at www.glance.tech or at www.SEDAR.com.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the COmpany does update one or more forward-looking statement, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Overall Performance

The business is in its initial growth phase and it was expected that there would be a loss for this period. Although the Company generated $383,221 in revenue, it did not result in a positive cash flow. However, revenue in Q3 increased 90% compared to Q2 revenue and it increased by 55,874% in Q3 as compared with Q3 in 2016. As the Company creates more alliances and more licensing agreements are made, these revenues can be expected to continue to rise.

Management expects to continue launching its mobile application in many more Canadian restaurants. During Q1, the Company had developed a remote launch kit that allowed a restaurant outside of Glance Pay's launch regions to set up and have Glance Pay live in less than one hour. With this, the Company was able to not only launch in Vancouver, but also remotely in Toronto, Edmonton, Victoria, Cranbrook, and Chilliwack.

In Q2, the Company signed the nationwide hospitality conglomerate, Donnelly Group, and with the remote launch kit facilitating the process, Management expects the sign-to-launch turnaround to be significantly reduced. With the remote launch kit, Management was also able to develop a strategic action plan to launch existing signed restaurant chains such as Mr. Mikes and Famoso Pizzeria. In addition, Glance Pay has entered into a licensing agreement with CannaPay Financial Inc. The Company became an investor of CannaPay Financial Inc, owning 43.3% of the common shares at August 31, 2017. Glance Pay Inc. has granted CannaPay Financial Inc. a worldwide, non-exclusive license to use its patents, trademarks and technology in order to make, market and sell a mobile payment app designed for legal marijuana purchase and delivery which uses the Glance mobile payment platform as its base technology.

Glance's Q3 signings were one of the year's best with over 100 locations signed, including the Ricky's Restaurant chain with 90 locations, along with signing its first hotel, the Best Western Sands Vancouver, for room service. The sales department hired a full time business development/account manager in June and engaged the services of Blue Panda Digital for assistance with lead generation. Glance Pay is now live in locations across Canada with both Mr Mikes and Ricky's launching in various regions. A dedicated regional position was added in Toronto to ensure growth for that region for Q4 and beyond.

During the quarter, the Company entered into a significant licensing agreement with Active Pay Distribution Inc. Pursuant to the licence agreement, Glance granted to Active Pay a non-exclusive, worldwide licence to use Glance's mobile payment processing platform and its proven anti-fraud technology, for legal business to business and business to consumer mobile payments in the fitness and wellness industries. The licence will have an initial term of 1 year and will be renewable for up to 99 additional 1 year periods. As consideration for the licence, Active Pay will pay to Glance an initial fee of

$800,000, due 6 months after the date of the licence agreement and payable by the issuance of 3,200,000 common shares of Active Pay at a price of $0.25 per share. Active Pay will also pay Glance a fee of $100,000, due 2 months after the date of the licence agreement for creating a promotional package in the Glance Pay App, payable by the issuance to Glance of 1,000,000 common shares at a price of $0.10 per share, and a second fee of $100,000, due 6 months after the date of the licence agreement for a 12-month advertising package through Glance, payable by the issuance to Glance of 400,000 common shares at a price of $0.25 per share. Once Active Pay's app is live, Active Pay will begin to pay Glance a monthly royalty equal to 10% of all revenue Active Pay receives through its app.

The Company has generated the majority of its revenue to date through licensing its technology, as well as development, marketing, advertising and promotional fees. The Company has diversified its market space into the retail and services industry, showing its agility to serve more markets.

The Company is also projecting revenues from the licence of its technology including anti-fraud technology and Glance Pay Anywhere; a new technology which enables Glance Pay merchant partners to send bills to customers anywhere, and securely receive remote payments from anywhere via the Glance Pay App. Glance has yet to launch takeout / order ahead and delivery services for the Company's restaurant partners but is projecting to do so. Glance Pay has also created two forms of credit that can be distributed to app users for compensation (such as referrals) or for promotion. Glance Dollars can be earned and accrued by Glance Pay users by providing referrals or winning contests and can be used at any Glance merchant within the Glance Pay app. Merchant Dollars are specific to a particular restaurant and are equivalent to a digital coupon, and may be issued by Merchants through the Glance Pay app and can have a specific start and end date. This technology also enables in-app digital offer marketing to merchants and business partners. Users can redeem exclusive offers and discounts set by the retailer via the Glance Pay app, reducing the need for costly traditional paper deals, coupons, and expired email offers, while at the same time offering flexibility and creativity for deals that are not feasible via traditional methods.

Financial Position and Liquidity - Review of Financial Results

Prior to the launch of the Glance Pay app, the Company's main expenditure was on software and development costs, along with limited expenses including occupancy costs, office and administration. The Company became a reporting issuer after the final receipt from the BCSC of the Company's prospectus on August 4, 2016. The following table presents selected audited and unaudited financial information for each of the last eight quarters:

	2017 Q3	2017 Q2	2017 Q1	2016 Q4
Revenue	240,130	126,527	16,564	7,576
Depreciation	(67,359)	(59,984)	(58,161)	(53,130)
Finance expense	(20,168)	(302,184)	(19,638)	(23,789)
Management fees	(8,347)	(8,465)	(11,250)	(11,250)
Office and miscellaneous expenses	(109,479)	(139,714)	(186,377)	(216,134)
Professional fees	(14,206)	(13,152)	(23,793)	(44,879)
Sales & marketing expenses	(1,433,287)	(571,021)	(470,299)	(430,880)
Software development costs	(125,443)	(129,502)	(133,369)	(137,845)
Stock option-based payments	(25,920)	(39,868)	(77,935)	(145,844)
Total Expenses	(1,804,209)	(1,263,890)	(980,822)	(1,063,751)
Loss before other items	(1,564,079)	(1,137,363)	(964,258)	(1,056,175)
Other items				
Proportionate loss from associate	(160,467)	(62,269)	-	-
Loss on settlement of debt	-	(4,240)	-	-
Net Loss	(1,724,545)	(1,203,872)	(964,258)	(1,056,175)
Loss per share	(0.02)	(0.02)	(0.02)	(0.02)
Weighted average number of ordinary shares	75,623,413	68,290,604	52,455,469	56,219,492

	2016 Q3	2016 Q2	2016 Q1	2015 Q4
Revenue	429	-	-	-
Depreciation	(17,063)	(621)	(407)	-
Finance expense	-	-	-	(1,868)
Management fees	(11,250)	(10,000)	(1,750)	(3,000)
Office and miscellaneous expenses	(53,661)	(39,528)	(5,839)	(7,999)
Professional fees	(65,405)	(44,127)	(26,144)	(22,614)
Sales & marketing expenses	(191,604)	(73,450)	(9,546)	(20,000)
Software development costs	(97,148)	(78,093)	(58,731)	(38,461)
Stock option-based payments	(117,642)	(193,024)	(23,421)	(5,197)
Total Expenses	(553,773)	(438,843)	(125,838)	(99,139)
Loss before other items	(553,344)	(438,843)	(125,838)	(99,139)
Other items				
Gain on disposal of equipment	266	-	-	-
Net Loss	(553,078)	(438,843)	(125,838)	(99,139)
Loss per share	(0.01)	(0.01)	(0.00)	(0.00)
Weighted average number of ordinary shares	47,343,607	46,691,666	46,691,666	32,317,813

Revenue increased by $239,701 (55,874%) in the three month period ended August 31, 2017 in contrast with the same period in 2016. In the previous year, the Company had just launched the application and all revenue related to transaction fees. The current period included licensing, design and marketing revenue, in addition to transaction fees.

The net loss for the three month period ended August 31, 2017 of $1,724,546 was in contrast to $553,078 for the three month period ended August 31, 2016 (212% increase). There were a few causes for the increase in expenses during Q3 2017 compared to Q3 2016:

- Depreciation of equipment now in use accounted for $67,359 in Q3 2017, which was an increase of 295% from the same period in the prior year ($17,063). This is due to there being less equipment in the prior year. Depreciation commenced when equipment was put into use when restaurants launched, which was towards the end of 2016. In addition to depreciation of equipment, there was also amortization of the software, which commenced in Q3 2016. The depreciation during Q3 2017 is relatively consistent with the previous quarters, with an expected increase due to more equipment put into use.

- Finance expenditure was $20,168 in Q3 2017 compared to $nil in the same period last year. This is primarily transfer agent fees ($15k), which would not have been required prior to the Company becoming public in September 2016 (Q4 2016). The finance expenditure is consistent with Q1 2017 and Q4 2016. There was a large finance expenditure in Q2 2017 for the rights offering ($276k).

- Despite the Company's activity in Q3 2017, management fees ($8,347) decreased by 26% compared to Q3 2016 ($11,250). This is because focus was shifted from overall management to improving technological capabilities of the mobile payment app. As the Company competes in the marketplace, this was seen to be a more important allocation of resources.

- Office expenditure increased 104% ($109k) in Q3 2017 compared to the same period last year ($54k). This was due to additional resources required as the Company grew. The main increase was in office staff wages and salary ($53k in Q3 2017 vs $5k in Q3 2016), as more employees were hired and many activities taken in-house (accounting and legal).

- Professional fees in Q3 2017 ($14,206) decreased by 78% compared to Q3 2016 ($65,405), as noted above - many procedures were taken in-house in Q4 2016. The professional fees for the last two quarters have been quite consistent and relate to audit fees ($5.5k), tax accounting fees ($4k) and legal fees . In Q3 2016, the Company's prospectus was being prepared for its IPO; audit fees were $7.6k, external accounting fees were to $33k and legal fees were $25k.

- Marketing expenditure in Q3 2017 ($1,433,287) increased 648% compared to Q3 2016 marketing expenditure ($191,604). In Q3 2016, as the Company was not a public entity and there was no product to sell. Instead, it related to some initial consultancy and design work as the Company prepared for its launch in August 2016. In the current quarter, the Company increased marketing expenditure in the United States, as this geographical location will be targeted over the next two quarters. 2% of this expenditure was on customer acquisition from the application and 7% was on wages, salaries and management fees. Marketing expenditure also includes marketing fees/campaigns ($70k), sales representative commission ($28k) and consultants ($130k), as well as investor awareness and media campaigns ($917k).

- Software development costs increased 29% ($125,443) in Q3 2017 in contrast to Q3 2016 ($97,148). In the comparative period last year, the application was not ready for public use, but in the current year it needs consistent development, maintenance, etc., so the team has grown to accommodate this growth. Software expenses in Q3 2017 also consist of subscriptions to multiple integration services. In the comparative period, there was only steady, continuous development.

- Stock option-based payments decreased by 78% to $25,920 (2016: $117,642) in Q3 2017, as there were no options granted in the current period.

Operating Activities

Cash used by operating activities during the period ended August 31, 2017, was $3,548,808 (August 31, 2016 - $538,202). The increase over the period relates to increased expenditure on marketing and office expenses, as well as wages and salaries. There were several payments made to vendors, consultants and employees before the end of the quarter, along with multiple prepayments for extended service agreements, which impacted upon cash flow and meant less amounts owing at the period end. The Company's GST credit also increased 75% to $85,917 in the nine month period, which also had an impact on cash available.

Investing Activities
Cash used for investing activities during the period ended August 31, 2017, was $434,869 (August 31, 2016 - received $303,171), due to the purchase of iPads for use in restaurants ($27k), costs to continue the patent process ($7k) and the investment in associate, CannaPay Financial Inc. ($400k).

Financing Activities
Net cash received from financing activities during the period ended August 31, 2017, was $4,492,708 (August 31, 2016 - $990,910). Please see Note 10 of the Company's Interim Financial Statements for more details on the transactions, which included a rights offerings and some private placements.

The Consolidated Statement of Financial Position

The following consolidated statement reports information about Glance as a whole and about its activities in a way that helps describe how Glance performed in the current period. This consolidated statement include all assets and liabilities using the accrual basis of accounting.

	August 31, 2017	November 30, 2016	Variance
ASSETS	**$**	**$**	**%**
Current assets			
Cash	869,948	360,917	141%
Accounts and other receivable	133,740	67,575	98%
Prepaid expenses and deposits	643,082	37,242	1627%
Total current assets	1,646,770	465,734	254%
Non-current assets			
Investment in Associate	177,297	-	100%
Computer equipment	99,139	111,001	-11%
Intangible assets	386,430	525,203	-26%
Total non-current assets	662,866	636,204	4%
Total assets	2,309,636	1,101,938	110%
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	387,464	142,873	171%
Deferred revenue	67,500	-	100%
Total liabilities	454,964	142,873	218%
SHAREHOLDERS' EQUITY			
Share capital	7,235,616	2,988,667	142%
Shares to be issued	274,868	93,743	193%
Reserves – Options	925,753	565,577	64%

Deficit	(6,581,565)	(2,688,922)	145%
Total shareholders’ equity	1,854,672	959,065	93%
Total liabilities and shareholders’ equity	2,309,636	1,101,938	110%

Total assets increased by 110% ($2.3 million compared to $1.1 million) over the nine month period ended August 31, 2017. This is largely due to private placements ($1.25m) and a rights offerings ($1.64m) which took place in the period, generating over $2 million after financing costs. At the end of August 2017, the Company had $485k invested in a range of non-current assets, including computer equipment, software and the payment processing application. This amount represented a decrease of 24% in the nine month period. The overall decrease came about due to the amortization of the computer software over its useful life (3 years).

The accounts receivable relates to amounts receivable for GST credits of $101k (an increase of 106% in the nine month period), as well as a $19k (2016: $13k) due from the credit card processor as part of the hold-back retainer required and restaurant transactions on 29-31 August. There is also $14k (2016: $4k) owed by the restaurants for service fees charged on the use of the Glance Pay mobile application, as well as related parties. The prepaid expenses increased 1,627% to $643k (2016: $37k), largely comprising of prepaid services for long-term marketing consultancy agreements for both Glance Technologies Inc. and Glance Pay USA, Inc. ($606k).

The accounts payable and accrued liabilities increased 171% to $387k (2016: $143k), as there was increased marketing activity in the quarter. There were accrued payroll liabilities of $4k (2016: $29k), a GST amount owing of $15k (2016: $nil), payments due and accrued liabilities to vendors for work performed of $331k (2016: $59k) and payments due to officers, directors and other related parties of $37k (2016: $55k) for various consulting, marketing, commission and management costs, as well as expense reimbursements. In addition, the Company had deferred revenue $68k (2016: $nil) at the end of Q3 2017, for the CannaPay licensing agreement for the first 27 days of September.

Options

The Company’s stock option plan allows directors to authorize the issuance of options to Glance directors, officers, employees and consultants. The terms and vesting conditions of the granted stock options are at the discretion of the directors.

During the nine month period ended August 31, 2017, the Company granted 314,455 stock options to agents in relation to its private placements, with an exercise price of $0.18 per common share of the Company. The Company also granted 1,572,552 stock options to agents in relation to its rights offering, with an exercise price of $0.20 per common share of the Company. These options vested immediately with a term of two years. A further 500,000 stock options were granted during the nine month period, to consultants and a director, with exercise prices ranging from $0.18 to $0.25. All options have a term of five years and vest over various dates over the next 15 months.

During the nine months ended August 31, 2017, 2,836,674 previously granted stock options vested. A further 1,305,000 remaining stock options will vest in their entirety between one and two years.

The remaining 650,000 stock options were granted pursuant to certain sales, marketing and design contracts, the vesting of which are dependent upon specific performance conditions (such as a target for the number of the restaurant sign-ups for the use of Glance’s payment processing application). The Company expects these performance conditions and the related vesting of the stock options to be completed by the end of fiscal 2018.

The schedule of incentive stock options is detailed below:

	Number of options	Weighted average exercise price $
Outstanding, November 30, 2016	5,718,821	0.16
Granted	2,387,007	0.20
Expired	(25,000)	0.15
Cancelled	(87,000)	0.15
Outstanding, August 31, 2017	**7,993,828**	**0.17**

Range of exercise prices $	Number of options outstanding	Number of options vested	Weighted average remaining contractual life (years)	Weighted average exercise price $
0.10	150,000	90,000	3.16	0.10
0.15	4,808,200	3,505,700	3.49	0.15
0.18	608,076	558,076	1.86	0.18
0.20	1,672,552	1,622,552	1.83	0.20
0.25	300,000	75,000	4.52	0.25
0.28	455,000	187,500	4.09	0.28
	7,993,828	6,038,828	3.09	0.17

The weighted average fair value of options granted was $0.11 (2016 - $0.12) per option. During the nine months ended August 31, 2017, the Company recognized stock options-based payment of $143,723 (2016 - $334,087) for options previously granted to directors, officers, employees and consultants, which are unvested.

Related Party Transactions

During the nine month periods ended August 31, 2017 and 2016, compensation of key management personnel and related parties were as follows:

	August 31, 2017 $	August 31, 2016 $
	(unaudited)	*(unaudited)*
Remuneration and fees	719,655	259,550
Share-based compensation	76,281	233,821
	795,936	**493,371**

The remuneration and fees were allocated to sales and marketing, general and administrative, and research and development expenses.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

Subsequent Events

- On September 15, 2017, 930,000 stock options were granted to employees, directors and consultants with an exercise price of $0.295. All options have a term of five years and vest over various dates over the next 12 months. In accordance with the Company's stock option plan, options will terminate 90 days after a consultant or employee ceases to work for the Company.
- On September 27, 2017, the Company completed a private placement of 3,000,000 units at $0.40 per unit for gross proceeds of $1,200,000, of which $253,000 was received as at August 31, 2017. Each unit consists of one common share and one common share purchase warrant with each warrant exercisable into one common share at a price of $0.75 per share until the warrants expire on September 27, 2018.
- On October 2, 2017, 100,000 stock options were granted to consultants with an exercise price of $0.47. All options have a term of five years and vest over various dates over the next 18 months. In accordance with the Company's stock option plan, options will terminate 90 days after the consultant ceases to work for the Company.
- On October 14, 2017, the Company signed a licensing agreement with Euro Asia Pay Holdings Inc., with contractual revenue streams of $1 million in the next 12 months.
- On October 17, 2017, 680,000 stock options were granted to employees and consultants with an exercise price of $0.72. All options have a term of five years and vest over various dates over the next 12 months. In accordance with the Company's stock option plan, options will terminate 90 days after the employee or consultant ceases to work for the Company.
- On October 18, 2017, 50,000 stock options were granted to employees and consultants with an exercise price of $0.72. All options have a term of five years and vest over various dates over the next 12 months. In accordance with the Company's stock option plan, options will terminate 90 days after the employee or consultant ceases to work for the Company.
- On October 19, 2017, the Company completed a private placement of 7,950,000 units at $0.40 per unit for gross proceeds of $3,180,000. Each unit consists of one common share and one common share purchase warrant with each warrant exercisable into one common share at a price of $0.75 per share until the warrants expire on October 19, 2018.
- Subsequent to August 31, 2017, the Company issued 24,187,955 common shares pursuant to the exercise of share purchase warrants. Included in this were 9,969,013 warrants exercised in connection with the amended warrant incentive program. Under the terms of the program, the Company issued an additional warrant at an exercise price of $0.30 per share for 24 months from the issuance.
- Subsequent to August 31, 2017, the Company issued 3,812,965 common shares pursuant to the exercise of stock options by employees and consultants of the Company.
- From September 1, 2017, to October 23, 2017, the following was raised in financing:

	$'000
Private Placement	4,380
Warrant Exercises	5,801
Option Exercises	677
	10,858

Outstanding Share Data

The Company's authorized capital is an unlimited number of common shares without par value. The following table summarizes the outstanding share capital as of October 23, 2017:

Issued and outstanding common shares at October 23, 2017:	**120,847,114**

Total Warrants outstanding at October 23, 2017 is 18,549,579

Total Options outstanding at October 23, 2017 is 5,590,863, of which 3,185,863 stock options vested as of October 23, 2017.

Fully diluted at October 23, 2017: **144,987,556**

Management's Responsibility for Financial Information

The Company's financial statements are the responsibility of the Company's management, and have been approved by the board of directors. The financial statements were prepared by the Company's management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

Approval

On October 25, 2017, the Board of Directors of Glance Technologies Inc. approved the disclosures contained in this MD&A.