Glance Technologies Inc.

Interim Management's Discussion and Analysis
Quarterly Highlights for Venture Issuers
Period Ended May 31, 2018
Prepared as of July 27, 2018

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General

The following interim Management Discussion and Analysis ("MD&A") presents an analysis of the financial conditions of Glance Technologies Inc. and its subsidiaries (collectively referred to as "Glance" or the "Company") as at and for the six-month period ended May 31, 2018, compared with the corresponding period in the prior year. It has been prepared to provide an update since the Company's last interim MD&A for the period ended February 28, 2018. 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 Company's interim consolidated financial statements for the period ended May 31, 2018, which provide information about the activities of the Company as a whole, and present a longer-term view of the Company's finances. The financial information presented in this MD&A is derived from our interim consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). There are no non-IFRS financial measures included in this MD&A.

This MD&A is the responsibility of management. Prior to its release, the Company's Board of Directors (the "Board") approved this MD&A on the Audit Committee's recommendation. The Company presents its interim consolidated financial statements in Canadian dollars. Amounts in this MD&A are stated in Canadian Dollars unless otherwise indicated.
Unless otherwise noted or the context indicates otherwise, "we", "us", "our", the "Company" or "Glance" refer to Glance Technologies Inc. and its direct and indirect subsidiaries. The Company's common shares ("Common Shares") commenced trading on the Canadian Securities Exchange under the ticker symbol "GET" on September 7, 2016.

Additional information with respect to the Company, including interim filings, audited consolidated financial statements and annual information form can be found on SEDAR at www.sedar.com.

Caution Regarding Forward Looking Statements

Certain information included in this MD&A may constitute forward-looking statements. Statements in this MD&A 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. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words assumption, goal, guidance, objective, outlook, project, strategy, target and other similar expressions or future or conditional verbs such as aim, anticipate, believe, could, expect, intend, may, plan, seek, should, strive, and will. In this MD&A, forward-looking statements include such statements as:

- the Company’s plans to utilize Glance Coin;
- the Company’s expectation that Glance Coin will simplify and enable the adoption of cryptocurrency into everyday life;
- the Company’s plans to expand operations in the United States and other parts of North America;
- the Company’s belief that it will acquire new customers, pursue new licensing deals, acquire new technologies, expand its development resources and continue to add significant innovations to its technology such as a rewards-based cryptocurrency;
- the Company’s belief that it’s poised to build on traction within the foodservice industry by incorporating new business development strategies, targeted digital marketing campaigns, and traditional marketing efforts to expand the Glance Pay community into new and varied industry verticals;
- the Company’s belief that its anti-fraud technology represents a significant accomplishment and market edge;
- the Company’s intention to leverage fraud prevention in various markets;
- the Company’s expectation to receive payments for monthly and annual Software as a Service (“SaaS”) model fees from merchants, transaction fees, licensing fees, promotion and advertising fees, and consumer fees for premium service;
- the Company’s new planned merchant app, which the Company believes should help enable viral adoption of its technology;
- the Company’s belief that the upcoming Glance PayMe App (new downloadable merchant app) is well suited to digital marketing and the Company’s intention to focus significant efforts towards this when the merchant app is live;
- the Company’s belief that the Glance PayMe App will open up a much larger audience for its products;
- the Company’s expectation that custom hardware will not be required to process cryptocurrency payments, suggesting the Glance PayMe App could be a desirable solution in that marketplace;
- the Company’s plans to expand its technology into online purchases and e-commerce by leveraging its anti-fraud technology for online merchants suffering high fraud rates;
- the Company’s belief that the large influx of investment in initial coin offerings (“ICOs”) should accelerate the advance of fundamental blockchain platform technology as well as applications, leading to widespread adoption of the technology in the next few years;
- the Company’s intention to utilize reward tokens to allow merchants to reward and provide deals and incentives to customers;
- the Company’s plans to provide a loyalty mechanism, leading to flexible reward and loyalty structures to meet merchant needs;
- the Company’s expectation of the value of Glance Coin being an especially compelling reward for consumers by businesses;
- the Company’s plans to reduce spending on corporate communication and investor media significantly in future quarters compared to this past quarter and belief that it will focus on spending efficiently and effectively in this category;
- the Company’s belief that the capital it has raised in the past twelve months gives Glance a runway to

acquire new customers, expand into other geographic markets such as the US, pursue new license deals, acquire new technologies, expand its development resources and continue adding significant innovations to its technology such as a rewards-based cryptocurrency; and
- the Company's ability to raise additional capital needed to fund operations.

Readers are cautioned not to put undue reliance on forward-looking statements. Unless otherwise indicated by us, forward-looking statements in this MD&A describe our expectations as at July 27, 2018 and, accordingly, are subject to change after that date. 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.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in, or implied by, such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. As a result, we cannot guarantee that any forward-looking statement will materialize, and we caution you against relying on any of these forward-looking statements. Forward-looking statements are presented in this MD&A, for the purpose of assisting investors and others in understanding our objectives, strategic priorities and business outlook as well as our anticipated operating environment. Readers are cautioned, however, that such information may not be appropriate for other purposes. The forward-looking statements in this MD&A are based on, among other things, the following assumptions:

- the Company will be able to achieve its business objectives;
- the Company will be able to develop proprietary software to implement its plans;
- the Company will be successful in obtaining and retaining clients and licensees for its software;
- the blockchain platform will continue to develop and grow in utilization and adoption around the world;
- the Company will be able to expand its operations successfully in new geographic markets and new industries.

The forward-looking statements in this MD&A are subject to, among other things, the following risks:

- the Company's operations are dependent on key technical personnel, and the loss of such personnel could have a significant impact on the Company's ability to conduct its activities;
- competition;
- currency fluctuations and exchange rates;
- the Company's ability to continue as a going concern;
- the Company may not be able to obtain all necessary funding for its operations, on terms satisfactory to the Company or at all;
- credit risk;
- the Company's dependence on information technology systems;
- risks associated with cyber security and privacy violations, in particular given the Company's operations are highly dependent on online technologies and the Company obtains a significant amount of personal information in the course of operations;

- risks associated with having a customer in the cannabis industry, as cannabis remains illegal in certain jurisdictions;
- risks associated with investments and activities in the cryptocurrency industry, which may be subject to ongoing regulation in due course;
- risks associated with the adoption and development of the global blockchain platform;
- the Company may not be able to continue to successfully expand its operations beyond the Canadian marketplace or into industries other than the restaurant industry.

We have made certain economic, market and operational assumptions in preparing the forward-looking statements contained in this MD&A. If our assumptions turn out to be inaccurate, our actual results could be materially different from what we expect.

Important risk factors including, without limitation, competitive, regulatory, economic, financial, operational, technological and other risks that could cause actual results or events to differ materially from those expressed in, or implied by, the previously-mentioned forward-looking statements.

We caution readers that the risks described in this MD&A are not the only ones that could affect us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our financial position, financial performance, cash flows, business or reputation. Except as otherwise indicated by us, forward-looking statements do not reflect the potential impact of any special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after July 27, 2018. The financial impact of these transactions and special items can be complex and depends on facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way, or in the same way we present known risks affecting our business.

Q2 2018 Operating Highlights:

- $229k revenue (transactions and services), up 81% from $127k in Q2 2017
- Launched the ability to pay parking tickets – demonstrating the ability to use the mobile payment application in another vertical.

Q2 2018 Corporate Highlights include:

- Hosted a full-day Blockchain Summit in May 2018 called The Future of Blockchain, featuring industry experts speaking on potential applications for blockchain and what businesses can do to prepare.
- Significant customer announcements included the Company's first live locations in the U.S., its first U.S. restaurant chain (Uno Mas Mexican Grill) and the signing of Vancouver-based Freshslice Pizza, the largest restaurant chain in the Glance Pay network.
- Announced the opening of offices in Melbourne, Australia and London, U.K., furthering the Company's global presence.
- Increased head count by 26% compared to Q1 2018, as the Company continues to invest in development and blockchain.

Subsequent to Q2 2018:

- Mr. Steve Cadigan was elected to the Board as the newest director, bringing contacts at the executive level from many significant Silicon Valley tech companies. Mr. Cadigan also adds expertise in human resources and maximizing team performance.

- Glance Coin White Paper (the "White Paper") was published, describing Glance's plans to build a decentralized loyalty marketplace offering crypto payments with a loyalty reward token.

During the quarter, the Company was assessed by two independent proxy voting and corporate governance advisory firms; Institutional Shareholder Services Inc. ("ISS") and Glass Lewis & Co. LLC. They recommended that the shareholders vote Blue in the proxy, which was an endorsement of support for the Glance Nominees at the Annual General Meeting.

Company Overview

Glance Technologies Inc., a Vancouver-based technology company, owns and operates Glance Pay, a streamlined payment system that revolutionizes how smartphone users choose where to shop, make payments, access digital receipts, redeem digital deals, earn great rewards and interact with merchants. Since launching at the end of 2016, Glance is building a valuable network of businesses and consumers and offers targeted in-app marketing, geo-targeted digital coupons, customer feedback, and custom rewards programs. The **Glance Pay** mobile payment system consists of proprietary technology, which includes user apps available for free downloads in iOS (Apple) and Android formats, merchant manager apps and a large-scale technology hosting system. **Glance PayMe** is another mobile app, which allows businesses across industry verticals (beauty and wellness, automotive, retail and e-commerce) to accept mobile payments instantly and build superior analytics. Both apps are expected to utilize the upcoming Glance Coin, a reward token, which is intended to simplify and enable the adoption of cryptocurrency into everyday life. Glance published a whitepaper on Glance Coin subsequent to the quarter end, making Glance one of the first public companies worldwide to do so. The Glance Coin Whitepaper (the "Whitepaper") outlines its plans for a blockchain-based rewards platform utilizing smart contracts intended to enable merchants to reward, incentivize and provide deals to their customers using a cryptocurrency token. These reward tokens are intended to allow users to accumulate rewards to spend when the user chooses within a larger decentralized platform. Any issuance of **Glance Coin** would be undertaken in accordance with applicable securities laws. The payment-processing platform is now being licensed to other companies, enabling them to build their own network of users who will use the mobile application in their businesses.

Since launching at the end of 2016, the rollout of the *Glance Pay App* has expanded from the restaurant industry to many other merchants and service providers across industry verticals, including beauty and wellness, automotive retail, and e-commerce. Merchants are demonstrating that they buy into the enhanced technology, app features, and development roadmap of the *Glance Pay App*, while the characteristics of the varied markets they represent are highly viable and promising for the growth of Glance Pay.

Merchant App and Glance PayMe App

During our first year of operations, we focused on developing and enriching the user experience through the *Glance Pay App*. We're now devoting significant resources to enhancing the *Glance Merchant App*. These latest innovations are aimed at repeatedly bringing customers back to our merchants' establishments and making it faster for us to expand Glance's base of merchants. We plan to expand this technology into online purchases and e-commerce by leveraging our anti-fraud technology for online merchants suffering high fraud rates.

To date, merchant sign-up has been primarily direct sales, partly due to our Merchant App requiring set hardware on which to operate. However, we are building the *Glance PayMe App* - a downloadable merchant app, to allow any business or freelancer to download the app to their own mobile devices and sign up via the app (which previously wasn't possible), with the plan to get them up and running very quickly accepting payments and rewards with no custom hardware required. This will greatly reduce the cost of deployment, as well as customer acquisition costs. Glance's track record of success with its anti-fraud technology means it doesn't need to use custom hardware for swiping cards or using chip and PIN machines. We believe this will change our sales dynamics to allow us to take advantage of online marketing and help enable viral adoption of the merchant app.

Expansion

Glance Pay's position as an industry leader for mobile payments in the restaurant industry has been advanced by the Company's recent promotional success at key trade shows and events. In February 2018, our team exhibited the Glance Pay App to a receptive audience of prospective clientele at RC Show 2018, the flagship event of Restaurants Canada and Canada's largest foodservice trade show. In May 2018, Glance Pay exhibited at the U.S. National Restaurant Association in Chicago, having been selected as one of 14 exhibitors to join its exclusive Startup Alley pavilion. This is the industry's premiere event internationally and the largest foodservice trade show in the U.S. The Company is poised to build on this strong traction within the foodservice industry by incorporating business development strategy, targeted digital marketing campaigns, and traditional marketing efforts to expand the Glance Pay community into new and varied industry verticals.

The Company has also been engaged in a period of rapid business development, having secured commitments from almost 500 merchant locations since inception across Canada and the USA to adopt the Glance Pay App as their mobile payments solution of choice. A cornerstone of the Company's many restaurant partnerships are several signed restaurant chains, which boast lucrative businesses and an expanding footprint of franchised locations, including MR MIKES Steakhouse Casual, Ricky's Group of Restaurants, Freshslice Pizza and the Steamworks Group of Companies.

Glance Pay's footprint is also growing on a local scale. The Company has expanded its business development team with new offices and representatives on the ground in both Toronto, Ontario and San Jose, California. The Company worked efficiently to grow the number of signed and launched Glance Pay partner locations in both areas by more than 100% since the beginning of the fiscal year. Glance is now expanding its U.S. presence, and is planning its expansion in the U.K. and Australia, where Glance Pay opened offices in March and April 2018.

Monetization Strategy

In addition to establishing a significant base of merchants and users and expanding our market, we've also explored and tested different monetization strategies for our products. Current and future monetization opportunities for the Glance Pay platform include monthly and annual SaaS model fees to the merchant, transaction fees, licensing fees, promotion and advertising fees, and consumer fees for premium services. The philosophy behind monetization options is to give the partner business a return on investment that translates into increased customer retention, a larger number of customers, and higher-value transactions overall. These outcomes can be directly attributed to the main features of the Glance Pay App, such as payment efficiencies, promotions, events and Glance's own loyalty rewards program. We plan to continue adding a number of services and features to our platform that could be used to earn additional revenue. Having a connection to the Glance Pay user base also allows merchants to achieve and raise the bar for their operational and revenue goals. We believe we have an opportunity to provide services which can compete with large payment companies without requiring special hardware to combat fraud.

Licensing
Additionally, we have been exploring other opportunities to license our technology for fees and royalties, some of which were recognized in the first quarter of fiscal 2018 and contributed significantly to our revenue. These types of license fees may not continue in an evenly distributed and consistent manner in the future as recognition of such fees depend on the type of deal and timing of signing and delivery. On December 6, 2017, we announced the acquisition of the BlockImpact cryptocurrency and blockchain platform to accelerate our blockchain development. We are also exploring licensing opportunities of this technology beyond our rewards token initiative.

More Efficient Spending
In the past several months, Glance management has also prioritized reviewing its expenditures to improve efficiency. Significant changes have already been made to better utilize its cash resources going forward.

Cryptocurrency & Rewards
We believe blockchain and cryptocurrencies are fundamentally transformative technologies. According to Coinschedule.com, over $12.4 Billion USD has already been invested in cryptocurrency ICOs in 2018. That large influx of investment should accelerate the advance of fundamental blockchain platform technology as well as applications and more widespread adoption of the technology in the next few years. We also announced that we are working on a rewards-based cryptocurrency using blockchain technology. This development will utilize a rewards token that allows Glance Merchants to reward and provide deals and incentives to customers. Our plan is to provide a loyalty mechanism that allows Glance Users to spend accumulated rewards within a larger marketplace. We also anticipate that by rewarding Glance Users with our token, we will enable everyday individuals to get involved in the cryptocurrency and hopefully encourage widespread adoption. We are working diligently on our crypto technology and assembling what we believe to be a strong team on this front. This blockchain-based rewards platform will allow flexible reward and loyalty structures to meet merchant needs based on smart contracts. In January 2018, our team travelled to Davos, Switzerland to speak at a blockchain conference about our rewards-based token. In May 2018, the Company hosted The Future of Blockchain in Vancouver. Subsequent to the quarter end, the Whitepaper was released. Glance intends to increase its focus and efforts on its blockchain initiatives.

Anti-Fraud
Fraud is a serious issue for many merchants, and unfortunately most payment methods pass the fraud risk onto the merchant with higher fees. That is why we designed important innovations in fraud prevention that were implemented over a year ago. We announced that we experienced zero payment fraud on our platform in a 16 month period across all of our live locations. Fraud prevention may be one of the most important features of our intellectual property to date, and we intend to leverage this advantage in various markets including cryptocurrency and blockchain, online e-commerce, mobile payments and in-store purchases. We believe our anti-fraud technology represents a significant accomplishment and market edge. Based on recent announcements by credit card firms, fraud is also emerging as a major issue in the crypto space, and our technology could offer an important weapon against it.

Summary
By establishing the usability of our technology, expanding our target market to a broader array of merchants, allowing merchants to download an app and be up and running quickly, improving capacity for monetization with more products, raising significant capital, preventing fraud and strengthening our product offering, we feel Glance has embarked on an exciting path. We firmly believe that mobile devices are the

future of payments and consumer engagement, and we believe blockchain is a fundamentally transformative technology. According to iResearch[1], mobile payments are the dominant form of payment in China, where annual payments already amount to trillions of USD annually. We believe that this trend will filter into the markets Glance operates in and we are well positioned to take advantage of these technological trends as we continue to build our technology and expand our network of merchants and consumers. Every year, smart phone technology advances significantly, accelerating the transition to mobile payments and giving us even more tools for innovation.

Financial Position and Liquidity - Review of Financial Results

The Company became a reporting issuer after the final receipt from the British Columbia Securities Commission 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:

	2018 Q2	2018 Q1	2017 Q4	2017 Q3
Revenue	229,060	1,173,719	687,238	240,130
Corporate communications & investor media	(347,359)	(2,308,136)	(1,854,090)	(949,558)
Depreciation	(105,552)	(77,261)	(68,119)	(67,359)
Finance expense	(27,650)	(47,638)	(168,881)	(20,168)
General & administrative costs	(673,728)	(451,255)	(184,922)	(109,479)
Management fees	(12,530)	(7,662)	(7,269)	(8,347)
Professional fees	(171,358)	(306,329)	(51,908)	(14,206)
Sales & marketing expenses	(1,082,312)	(1,446,137)	(829,741)	(483,729)
Software development costs	(744,719)	(359,480)	(205,450)	(125,443)
Stock option-based payments	(685,519)	(220,288)	(3,283,757)	(25,920)
Total Expenses	(3,850,727)	(5,224,186)	(6,377,668)	(1,804,209)
Loss before other items	(3,621,667)	(4,273,111)	(5,690,430)	(1,564,079)
Other income (expense)				
Proportionate loss from associate	-	(616,130)	(180,893)	(222,703)
Proxy contest expenses	(997,728)	(222,644)	-	-
FX gain/(loss)	8,611	(10,032)	8,143	-
Interest income	41,520	30,672	-	-
Other income	2,709	-	-	-
Loss on settlement of debt	-	-	-	-
Net Loss	(4,566,555)	(4,868,601)	(5,863,179)	(1,786,781)
Loss per share	(0.03)	(0.04)	(0.08)	(0.02)
Weighted average number of ordinary shares	135,373,594	131,112,157	75,623,413	75,623,413
Loss per share - diluted	(0.03)	(0.03)	(0.04)	(0.02)
Number of diluted shares	160,573,390	160,388,293	148,194,303	83,721,036

[1] https://www.wsj.com/articles/chinas-mobile-payment-boom-changes-how-people-shop-borrow-even-panhandle-1515000570

	2017 Q2	2017 Q1	2016 Q4	2016 Q3
Revenue	126,527	16,564	7,576	429
Corporate communications & investor media	(150,463)	(129,428)	(116,850)	(13,128)
Depreciation	(59,984)	(58,161)	(53,130)	(17,063)
Finance expense	(25,715)	(19,638)	(23,789)	-
General & administrative costs	(139,714)	(186,377)	(192,334)	(53,661)
Management fees	(8,465)	(11,250)	(11,250)	(11,250)
Professional fees	(13,152)	(23,793)	(44,880)	(65,405)
Sales & marketing expenses	(420,558)	(340,871)	(314,030)	(178,476)
Software development costs	(129,502)	(133,369)	(137,855)	(97,148)
Stock option-based payments	(39,868)	(77,935)	(145,844)	(117,642)
Total Expenses	(1,263,890)	(980,822)	(1,039,962)	(553,773)
Loss before other items	(1,137,363)	(964,258)	(1,032,386)	(553,344)
Other income (expense)				
Gain on disposal of equipment	-	-	-	266
Proportionate loss from associate	-	-	-	-
FX gain/(loss)	-	-	-	-
Interest income	-	-	-	-
Loss on settlement of debt	(4,240)	-	-	-
Net Loss	(1,141,603)	(964,258)	(1,032,386)	(553,078)
Loss per share	(0.02)	(0.02)	(0.02)	(0.01)
Weighted average number of ordinary shares	68,290,604	52,455,469	56,219,492	47,343,607
Loss per share diluted	(0.01)	(0.01)	(0.01)	(0.01)
Number of diluted shares	101,306,071	80,440,216	71,118,478	66,248,721

Revenue increased by $102,533 (81%) in the three- month period ended May 31, 2018 in comparison to the same period in 2017. The increase is attributable to the ongoing expansion of the Glance Pay network of merchants and users, leading to application and service fees of $153,485 (2017: $111,027) and marketing revenue of $25,000 (2017: $13,000). In addition, the current period includes licensing revenue of $50,575 (2017: $2,500), reflecting the Company's success in licensing its technology and related services over the past year. As anticipated, licensing revenues have fluctuated significantly in recent quarters due to certain of the agreements specifying large initial payments.

Glance has made a strategic decision to focus on demonstrating the capabilities of its technology and expanding its base of merchants over maximizing revenue from merchants, which is a strategy common amongst platform technology companies. Thus, merchant revenue was not substantial this quarter and in prior quarters. After Glance introduces the *Glance PayMe App* (expected in the third quarter of fiscal 2018), we anticipate that revenue from merchants will begin to grow. The forthcoming Merchant App will allow merchants to very quickly download directly to their own mobile devices, with built-in fraud-protection and loyalty rewards. Once the *Glance PayMe App* is available, we intend to progress to predominantly digital online sales, targeting markets in a number of geographies with minimal overhead. Glance also expects to increase the sales rate to large chains by expanding its enterprise sales team and the new set of application features that target this market segment. By the end of fiscal 2018, we expect that the *Glance PayMe App*, combined with new features such as advanced data analytics, will deliver monthly recurring revenue from merchants though a tiered SaaS subscription model. This will be in addition to Glance's ability to generate new revenue from advertising, promotions, and consumer fees for premium features. Glance is also pursuing opportunities to monetize the blockchain platform it purchased this quarter as well as for the Glance Coin rewards-based cryptocurrency solution it is working on, further leveraging our current technology.

The net loss for the three month period ended May 31, 2018 of $4,566,555 compares to $1,141,603 for the same period in 2017 (300% increase), due to an increase in expenses in the current period. Several factors led to the year-over-year increase in expenses:

- Corporate communication and investor media expenses were $347,359, an increase of 131% in Q2 2018 compared to Q2 2017 ($150,463). The majority of this expense included media ($171,882) and an investor awareness program ($107,466).
- As noted in our previous interim MD&A, the Company achieved its planned cost reductions in this category while working to spread awareness efficiently and effectively.
- Depreciation of equipment in use accounted for $105,552 in Q2 2018, which was an increase of 76% from the same period in the prior year ($59,984). This is due to an increase in office equipment resulting from an increase in staff and locations.
- Finance expenditure was $27,650 in Q2 2018 compared to $25,715 in the same period last year (8% increase). In Q2 2018, finance expenditures primarily included transfer agent fees ($12,271) and bank and merchant charges in Q2 2018 ($15,379). Both of these expenditures are consistent with Q2 2017 ($11,065 and $14,650 respectively).
- General and administrative expenditures increased 382% ($673,728) in Q2 2018 compared to the same period in 2017 ($139,714). The increase was due to additional resources required as the Company grew. The main increase was in administrative staff wages and consulting fees ($323,820 in Q2 2018 vs $52,051 in Q2 2017). In addition, office expenditure ($159,040) increased 206% from Q2 2017 ($52,051) due to a premises relocation which took place in Q1 2018, to facilitate the growing team, as well as overall additional resource demands. Rent during the quarter was $166,285, which is an increase of 763% compared to the same quarter last year ($19,271). Travel expenses of $24,583 increased 140% in Q2 2018 compared to Q2 2017 ($10,204), in connection with increasing the Company's presence globally.
- Professional fees in Q2 2018 ($171,358) increased by 1,203% compared to Q2 2017 ($13,152), The professional fees mainly consisted of legal fees ($128,653 vs Q2 2017 $3,793) and accounting fees ($29,599 vs Q2 2017 $5,734). The Company's legal fees increased due to the compliance framework for the rewards-based token and their trademark application, as well as anti-money laundering for the new Merchant App.
- Marketing expenditure in Q2 2018 ($1,082,312) increased 157% compared to Q2 2017 marketing expenditure ($420,558). Salaries increased to $261,350 (117%) in Q2 2018, due to the employee expansion at the end of last year, compared to $120,272 in Q2 2017. Other consulting costs of $402,810 were incurred (Q2 2017: $43,674), which were predominantly related to digital and blockchain advisory services. There was $182,934 incurred on social media and marketing materials, to promote the Glance Pay application and Glance Coin, including $56,986 for the rebrand. There was $52,378 (2017: $42,618) incurred on new customer acquisitions; this expenditure was increased as Glance expanded to new cities (San Jose), as well as new districts in the greater Toronto area. Sales

representative commission was $42,950 (2017: $18,864) in Q2 2018, representing the strongest merchant sign up since Glance first launched. Travel expenses were also incurred, as our Glance team travelled to the National Restaurant Association Trade Show in Chicago. The conference costs of $47,932 were attributable to the Blockchain Summit "The Future of Blockchain", which was held in Vancouver on May 8, 2018, featuring a suite of industry experts for presentations and panel discussions.

- Software development costs increased 475% ($744,719) in Q2 2018 in contrast to Q2 2017 ($129,502). Of this, $503,453 relates to salaries paid to growing the development team (Q2 2017: $106,125), to enhance the mobile application for iOS and Android; and to develop channels to access blockchain capabilities. There were also consultancy fees of $182,195 incurred (Q2 2017: $nil), to further develop the capabilities of Blockimpact, purchased from Ztudium Ltd ($107,195), as well as $75,000 for designing and developing virtual prepaid cards.
- The Company recorded non-cash stock option-based payments of $685,519 in connection with the issuance of options to new and existing employees. The cost increased by 1,619% in Q2 2018 compared to Q2 2017 ($39,868), as a greater number of options issued in the past 12 months have started vesting.

Proxy Contest Related Costs

On February 20, 2018, the former President and Chief Operating Officer, Ms. Penny Green, was terminated from the Company following which Ms. Green requisitioned a shareholder meeting and the Company was forced to take action.

Subsequent to Q2 at the Annual General Meeting on June 12, 2018, the shareholders showed their support of the current board and voted to re-elect Desmond Griffin, Kirk Herrington, James Topham and Larry Timlick as directors of the Company. Steve Cadigan was also elected as a director. To May 31, 2018, the costs of addressing the proxy contest initiated by Ms. Green was $1,220,372 (2017: $nil).

	Three months ended May 31, 2018 $	**Three months ended May 31, 2017 $**	**Six months ended May 31, 2018 $**	**Six months ended May 31, 2017 $**
	(unaudited)	*(unaudited)*	*(unaudited)*	*(unaudited)*
Legal	227,426	-	276,328	-
Investor relations	746,426	-	920,450	-
Printing and mailing	23,594	-	23,594	-
	997,728	**-**	**1,220,372**	**-**

Further proxy related costs of $108,520 were incurred in June 2018. The Company does not expect this to be a recurring expense and it is not within the normal course of business.

Glance reviewed the Fasken Proxy Contest Study 2017 Updates and 2018 Updates (see https://www.fasken.com/en/newshub/2018/02/proxycontestupdate2018) and completed an analysis of the proxy fees and related costs of reporting issuers listed in those studies that were involved in proxy contests. The results in the table below show that, based on publicly available information on SEDAR, the average proxy contest related costs for a Canadian public company involved in a proxy contest in 2017 and 2016 were approximately $2 million. Glance's anticipated total cost of its proxy is expected to be $1.33 million.

Company	Year	Proxy Related Cost	Outcome
SGX Resources	2017	Not available	Dissident Win
ECO ORO Minerals Corp. (1)	2017	$1,123,000	Partial Win
Rapier Gold Inc. (2)	2017	$1,306,000	Dissident Win
Eagle Energy Inc. (3)	2017	$700,000	Management Win
Liquor Stores N.A. Ltd. (4)	2017	$1,400,000	Dissident Win
Granite Real Estate Investment Trust and Granite REIT Inc. (5)	2017	$5,900,000	Dissident Win
Nerium Biotechnology, Inc.	2017	Not available	Management Win
Synex International Inc. (6)	2017	$330,000	Management Win
New Millennium Iron Corp. (7)	2016	$673,000	Management Win
Groundstart Resources Limited	2016	Not available	Management Win
Parkit Enterprise Inc. (8)	2016	$374,104	Management Win
Taseko Mines Limited (9)	2016	$4,900,000	Management Win
InterOil Corporation (10)	2016	$6,700,000	Management Win
Hemostemix Inc. (11)	2016	$355,191	Dissident Partial Win
Ellipsiz Communications Ltd. (12)	2016	$268,577	Management Win
Average Cost		**$2,002,489**	

Notes:

1. See ECO ORO Minerals Corp.'s Management Discussion & Analysis dated May 15, 2017 for the three months ended March 31, 2017.
2. See Rapier Gold Inc.'s Management Discussion & Analysis dated December 14, 2017 for the year ended September 30, 2017.
3. See Eagle Energy Inc.'s Management Discussion & Analysis dated August 10, 2017 for the three months and six months ended June 30, 2017.
4. See Liquor Stores N.A. Ltd.'s Management Discussion & Analysis for the year ended December 31, 2017.
5. See Granite Real Estate Investment Trust and Granite REIT Inc.'s Management Discussion & Analysis dated August 2, 2017 for the three and six months ended June 30, 2017.
6. See Synex International Inc.'s Management Discussion & Analysis dated May 4, 2018 for the nine months ended March 31, 2018.
7. See New Millennium Iron Corp.'s Management Discussion & Analysis dated March 27, 2017 for the year ended December 31, 2016.
8. See Parkit Enterprise Inc.'s Management Discussion & Analysis dated February 28, 2017 for the year ended December 31, 2016.
9. See Taseko Mines Limited's Management Discussion & Analysis dated February 21, 2017 for the year ended December 31, 2016.
10. See InterOil Corporation's Management Discussion & Analysis dated November 14, 2016 for the quarter and nine months ended September 30, 2016 (the "Interoil MD&A"). The costs are described in the Interoil MD&A as "the increase in legal and professional fees is mainly relating to the costs associated with the potential sale of the Company, the shareholder proposals at the Annual General Meeting and other corporate legal matters during the current quarter."
11. See Professional fees listed in Hemostemix Inc.'s Management Discussion & Analysis dated May 1, 2017 for the year ended December 31, 2016.
12. See Ellipsiz Communications Ltd. Management Discussion & Analysis dated May 15, 2017 for the year ended December 31, 2016 (the "Ellipsiz MD&A"). Glance determined the cost to be $268,577 by subtracting the amount of professional fee expenses listed in the Ellipsiz MD&A for the year ended December 31, 2016 by the amount of professional fees expended for the year ended December 31, 2015. This calculation was based on the note in the Ellipsiz MD&A that "the professional fees incurred by the Company in the year ended December 31, 2016 is unusually high in that a substantial portion of theses relate to the Company defending an action brought on by a director and major shareholder to replace the independent directors of the Company."

Operating Activities

Cash used by operating activities during the six month period ended May 31, 2018, was $9,047,652 (May 31, 2017 - $1,893,440). The increase over the period relates to increased expenditure on marketing and office expenses, as well as wages and salaries. There was overall increased business activity, which required more resources. At the period end, there were 48 employees, compared to May 31, 2017 of 13 employees.

There were expenditures on investor awareness programs ($2,112,066), as well as expenditures in connection with the proxy contest ($1,220,372), both of which impacted upon cash flow and are non-recurring expenditure items.

The Company's GST credit/PST refund also increased by $311,541 in the six month period ended May 31, 2018, which also had an impact on cash available. The Company is awaiting a refund on these amounts.

$750,000 in cash was paid by Glance in connection with the agreement dated January 19, 2018, between the Company, Fobisuite Technologies Inc., and Fobi Pay Technologies Inc. The long form agreement in respect of this transaction is still being negotiated.

Investing Activities

Cash used for investing activities during the six month period ended May 31, 2018, was $1,697,200 (May 31, 2017 - $221,978). The transaction with Ztudium Ltd. for the purchase of intellectual property for the Blockimpact platform was finalized, amounting to $1,427,560 ($1.1 million USD). The remaining expenditures were for tenancy improvements ($94,112), the purchase of iPads for merchants ($69,971) and equipment for employees ($109,762).

Financing Activities

Net cash received from financing activities during the six month period ended May 31, 2018, was $11,117,854 (May 31, 2017 - $2,831,207). Please see Note 11 of the Company's Interim Financial Statements for more details on the transactions, which included a bought deal.

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 includes all assets and liabilities using the accrual basis of accounting.

ASSETS	**May 31, 2018 $**	**November 30, 2017 $**	**Variance %**
Current assets			
Cash	10,667,210	10,294,213	4%
Accounts and other receivable	676,694	179,372	277%
Prepaid expenses and deposits	1,755,693	683,284	157%
Total current assets	13,099,597	11,156,869	17%
Non-current assets			
Investments	2,487,774	1,303,904	91%
Property and equipment	354,397	170,089	108%
Intangible assets	1,672,822	342,745	3,881%
Total non-current assets	4,514,993	1,816,738	149%
Total assets	17,614,590	12,973,607	36%

LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	1,381,609	408,554	238%
Deferred revenue	1,124,425	393,750	186%
Total liabilities	2,506,034	802,304	212%
Non-current liabilities			
Deferred revenue	400,000	551,250	-27%
Total liabilities	400,000	551,250	-27%
SHAREHOLDERS' EQUITY			
Share capital	32,216,098	20,273,414	59%
Shares to be issued	15,866	74,249	-79%
Reserves	4,356,493	3,717,135	17%
Deficit	(21,879,901)	(12,444,745)	76%
Total shareholders' equity	14,708,559	11,620,053	27%
Total liabilities and shareholders' equity	17,614,590	12,973,607	36%

Assets

Total assets increased by 36% ($17.6 million compared to $12.9 million) during the six month period ended May 31, 2018. Total assets are substantially comprised of cash holdings received from equity financings conducted during the 2018 fiscal year, including the bought deal financing in December 2017 raising over $10.2 million, after financing costs, and on the exercise of warrants and options.

During the period ending May 31, 2018, the Company invested an additional $1.5 million in a range of non-current assets, including Blockchain 'BlockImpact' intellectual property ($1,419,844 /$1.1 million USD) and computer equipment for new employees.

Yield Growth Corp. ("Yield") (formerly, Cannapay Financial Inc.) has recorded continuous losses and the investment has been written down to $nil. The Company had a 27.8% ownership of shares in Yield in Q2 2018 and incorporated a proportionate loss of $608,904 in the six months ended May 31, 2018. The net value of the investment in associate is $nil.

The Company received shares (4,000,000 at fair value $0.25) in Loop Cannabis Insights Inc. ("Loop") in exchange for a sublicense granted to Loop during the period. Loop recorded a loss of $152k during Glance's fiscal Q1 2018. The Company had a 21.4% ownership of shares in Loop for 20 days in Q1 2018 and incorporated a proportionate loss of $7,226 into its consolidated income statement during this period. The Company had a 19.8% ownership of shares in Loop in Q2 2018 and was no longer deemed to be an associate of Glance. Other investments increased $800k, on receipt of common shares in Active Pay Distribution Inc. (3,200,000 at fair value of $0.25).

The accounts receivable relate to amounts receivable for GST credits of $356,319 (an increase of 207% during the six month period ending May 31, 2018) and a PST refund of $71,249 (2017: $nil).
Other customer amounts receivable consist of GST from licensing, as well as services and marketing revenue. Other receivables include a cash deposit of $94,493 for the normal course issuer bid.

The prepaid expenses increased 157% to $1,755,693 (2017: $683,284). Included in prepaid expenses is a license fee of $1.5 million paid by Glance relating to an agreement between the Company, Fobisuite Technologies Inc. and Fobi Pay Technologies Inc. Of this amount, $250,000 and 250,000 common shares (at a fair value of $2.00 per share) of Glance Technologies Inc. is held in escrow pending the completion of the above noted long form agreement. Also included in prepaid expenses is $107,491, which represents a deposit on office premises rental.

Liabilities

The accounts payable and accrued liabilities increased 238% to $1,381,609 (2017: $408,554), due to the increase in expenses and delay in receiving vendor invoices as a result of the Company relocating offices. There were accrued payroll liabilities of $196,588 (2017: $76,421), payments due and accrued liabilities to vendors for work performed of $1,119,697 (2017: $273,742) and payments due to officers, directors and other related parties of $65,324 (2017: $58,371) for various consulting, marketing and management costs, as well as expense reimbursements.

At the end of Q2 2018, the Company had a current deferred revenue balance of $1,124,425 (2017: $393,750 - 186% increase) and a non-current balance of $400,000 (2017: $551,250 - 27% decrease). This revenue relates to Active Pay, Euro Asia Pay and Yield Growth Corp licensing agreements. As noted above, Active Pay issued 3,200,000 shares to the Company in February 2018, pursuant to its licensing agreement. Glance will recognize the up-front payments for these licensing agreements as revenue over fiscal 2018 and 2019.

Options

The Company's stock option plan allows directors to authorize the issuance of incentive stock options to Glance directors, officers, employees and consultants. The general terms of the grants are in accordance with the policies of the CSE. The vesting terms of options are at the discretion of the directors.

During the six month period ended May 31, 2018, the Company granted 3,631,000 options to its employees and consultants, exercisable at a price of $0.52 to $2.68 per common share. These options vest over a one-year period with a term of five years. In accordance with the Company's stock option plan, options will terminate 90 days after the optionee ceases to work for the Company. During the six month period ended May 31, 2018, a total of 635,000 stock options were cancelled due to termination of employee contracts or no services rendered for several months. Subsequent to May 31, 2018, a further 1,235,000 stock options were granted, 444,794 stock options were exercised and 1,822,000 stock options were cancelled.

The schedule of incentive stock options is detailed below:

	Number of options	**Weighted average exercise price $**
Outstanding, November 30, 2017	5,975,322	0.64
Granted	3,631,000	1.60
Exercised	(1,328,778)	0.22
Cancelled	(635,000)	0.70
Outstanding, May 31, 2018	**7,642,544**	**1.25**

The weighted average fair value of options granted was $1.60 (2017 - $0.20) per option. During the six months ended May 31, 2018, the Company recognized stock options-based payment of $905,807 (2017 - $117,803) for options previously granted to directors, officers, employees and consultants, which are unvested, as well as $nil (2017 - $204,662) for options granted to agents in connection with private placements.

Related Party Transactions

During the six month periods ended May 31, 2018 and 2017, compensation to key management personnel and related parties were as follows:

	May 31, 2018	**February 28, 2017**
	$	**$**
	(unaudited)	*(unaudited)*
Remuneration and fees	200,364	247,435
Share-based compensation	179,351	74,333
	379,715	**321,768**

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

- Subsequent to May 31, 2018, the Company issued 534,631 common shares and 21,994 units on the exercise of warrants for proceeds of $155,396. The units are exercisable at $0.75, for a period of one year from the date of exercise.
- Subsequent to May 31, 2018, 444,794 shares were issued on the exercise of stock options, for proceeds of $164,657.
- Subsequent to May 31, 2018, 1,235,000 options were granted to employees and officers of the Company at an exercise price of $0.50 per share expiring on June 28, 2023.
- Subsequent to May 31, 2018, Glance appointed Lewisa Anciano to the position of Chief People & Culture Officer and Jonathan Hoyles to the position of Chief Commercial Officer & General Counsel. The Company's contract with Zeeshan Mallick, Chief Digital Officer, came to an end and was not renewed. In addition, Keith Kerr, the Vice President of Restaurant Relations, resigned as an officer of the Company.

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 July 27, 2018:

Issued and outstanding common shares at July 27, 2018: **136,484,804**

Total Warrants outstanding at July 27, 2018, detailed below:

Number of Warrants	Exercise Price	Expiry Date
364,601	$0.25	April 27, 2019
5,000	$0.25	April 28, 2019
10,000	$0.30	August 30, 2019
1,500	$0.30	September 7, 2019
27,000	$0.30	September 13, 2019
100,000	$0.30	September 14, 2019
171,388	$0.30	September 22, 2019
469,527	$0.30	September 25, 2019
113,027	$0.30	September 28, 2019
139,166	$0.30	September 29, 2019
7,856	$0.33	December 30, 2018
78,773	$0.33	January 25, 2019
7,497	$0.33	December 30, 2019
297,437	$0.40	October 19, 2018
64,625	$0.40	February 20, 2019
2,000,000	$0.75	September 27, 2018
7,130,000	$0.75	October 19, 2018
4,722	$0.75	January 24, 2019
48,375	$0.75	February 20, 2019
11,475	$0.75	February 21, 2019
12,500	$0.75	February 22, 2019
180,750	$0.75	February 23, 2019
1,100	$0.75	February 27, 2019
3,000	$0.75	March 1, 2019
5,625	$0.75	March 12, 2019
3,160	$0.75	April 19, 2019
4,812	$0.75	May 1, 2019
6,940	$0.75	June 19, 2019
15,054	$0.75	June 20, 2019
500,000	$0.75	October 19, 2019
220,000	$1.10	November 1, 2018
4,412,880	$3.84	December 27, 2018
16,541,790		

Outstanding Share Data, cont'd

Total Options outstanding at July 27, 2018:

	Number of options	Weighted average exercise price $
Outstanding, May 31, 2018	7,642,544	1.25
Granted	1,235,000	0.50
Exercised	(444,794)	0.37
Cancelled	(1,822,000)	1.52
Outstanding, July 27, 2018	**6,610,750**	**1.12**

Range of exercise prices $	Number of options outstanding	Number of options vested	Weighted average remaining contractual life (years)	Weighted average exercise price $
0.15	727,500	377,500	2.99	0.15
0.18	25,000	-	3.77	0.18
0.20	100,000	100,000	3.73	0.20
0.28	180,000	100,000	3.20	0.28
0.295	630,000	407,500	4.14	0.295
0.465	50,000	-	4.19	0.465
0.50	1,235,000	10,000	4.28	0.50
0.52	220,000	-	4.28	0.52
0.54	441,000	110,250	4.28	0.54
0.72	134,750	66,000	4.23	0.72
1.14	250,000	250,000	4.27	1.14
1.36	112,500	37,500	4.27	1.36
1.37	105,000	80,000	4.27	1.37
1.46	650,000	325,000	4.27	1.46
2.06	450,000	225,000	4.27	2.06
2.60	300,000	300,000	4.27	2.60
2.68	1,000,000	500,000	4.27	2.68
	6,610,750	2,888,750	4.30	1.12

Fully diluted at July 27, 2018 **155,915,344**

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 July 27, 2018, the Board of Directors of Glance Technologies Inc. approved the disclosures contained in this MD&A.