Management's Discussion and Analysis of Financial Condition and Results of Operations for the three months ended March 31, 2019

Background

This management discussion and analysis ("**MD&A**") of the financial position of VSBLTY Groupe Technologies Corp. (the "**Company**" and "**us**," "**our**" or "**we**") and results of its operations for the three months ended March 31, 2019 is prepared as at May 29, 2019. This MD&A should be read in conjunction with the condensed consolidated interim financial statements for the three months ended March 31, 2019 and 2018 and the related notes thereto. Those audited financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"). All currency amounts are expressed in United States dollars, unless otherwise noted.

Forward-Looking Information

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. This MD&A may contain forward-looking statements that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Such statements reflect our management's current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and known or unknown risks and contingencies. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. Please see the risk factors discussed under the heading "Risk Factors" in this Prospectus.

Company Overview

The "Company" was incorporated under the Business Corporations Act (British Columbia) on August 1, 2018. The Company's head office is located at 417 North 8th Street, Suite 300, Philadelphia, Pennsylvania 19123 and its registered office is located at The Corporation Trust Center, 1201 Orange Street, City of Wilmington, New Castle County, DE 19801. The Company is a retail technology and marketing company with a variety of applications to drive brand engagement and puts insights in motion to drive sales. The Company's shares trade on the Canadian Securities Exchange under the symbol "VSBY" and the Frankfurt stock exchange under the symbol "5VS".

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at March 31, 2019, the Company had not yet achieved profitable operations and has an accumulated deficit of $21,019,046 since its inception. The continuing operations of the Company are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds there from. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs with capital market equity financings. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

Reverse takeover
On December 12, 2018, the Company, VSBLTY, Inc. and VSBLTY Merger Co., a wholly-owned subsidiary of the Company incorporated in Delaware, U.S. entered into a Merger Agreement (the "Agreement") pursuant to which the Company acquired all of the issued and outstanding common shares of VSBLTY, Inc. (the "Acquisition" or the "RTO") for 7.21228396 common shares the Company and VSBLTY, Inc. became a wholly-owned subsidiary of the Company. The Acquisition closed on February 15, 2019.

As a result of the Acquisition, VSBLTY, Inc. is deemed as the acquirer for accounting purposes, and therefore its assets, liabilities and operations are included in the consolidated financial statements at their historical carrying value. VSBLTY, Inc.'s operations were considered to be a continuance of the business and operations of VSBLTY, Inc.. The Company's results of operations are those of VSBLTY, Inc., with the Company's operations being included from February 15, 2019, the closing date of the Acquisition, onwards. Refer to note 5 for more details.

Overall Performance

As a participant in retail solutions, the Company assists retailers in defining a digital growth and marketing strategy. While the Company brings specific solutions that help retailers take advantage of digital trends in retail often the team is called upon to provide comprehensive expertise and consulting to educate its customers on how to take advantage of the Company solutions. This can position the Company as a trusted resource, but also slows the selling process and lengthens the selling cycle. Over time, management of the Company believes that the pace of deployment will increase and sales cycles will shorten as retailers develop an understanding of the technology. However, this creates uncertainly for the management of the business and with respect to accurate projections and forecasting. the Company's goal is to establish a brand that is trusted by retailers and brands alike to guide them through the digital revolution in retail. the Company will focus its resources on leveraging this trust to generate revenue and continue to build its brand.

The digital-out-of-home ("**DOOH**") market refers to digital advertising that is targeted to consumers outside their homes. Management of the Company believes that as advertisers continue to look for alternative markets they will continue to seek media and channels that can deliver the same kind of measurability that the Internet can offer. DOOH is expected to grow to the extent that it can provide this measurability to major brands. Brands will pay for impressions delivered that have attribution, accountability and addressability. To date, DOOH has not been able to deliver this to the same extent as the Internet. The Company provides a platform and capability that is intended to deliver this measurability.

In the security category, the Company has a similar issue. Most camera and sensor systems have a human dependency. The guiding philosophy of machine vision with machine learning is that computers and software can be leveraged to interpret live video. Dissecting, understanding and contextualizing live video is an important capability of the Company. One of the goals of the Company, and others pioneering the category, is to augment human operators interpreting video and flagging security operators to anomalous or extraordinary activity.

Since inception, the Company has delivered software solutions that rely heavily upon cloud computing. However, there are many applications, particularly in DOOH and security, which will perform better and more reliably with edge processing. The consumption of algorithms in cloud computing is subject to licensing but the Company believes that it has developed technology that runs with equal reliability on the edge. This model also consumes less third party licensed algorithms. This migration from cloud to edge will allow the Company to provide solutions in both categories. The Company will support both consumption models and will have different pricing models for each. the Company expects that edge-based solutions will have an enormous impact within the next 12 months as this market further defines itself.

Management views past company performance of net operating losses and negative cash flow as a stage in the process of developing the product lines and obtaining market share for the various business segments. Field trials of products at little to no cost are necessary to develop products. The Company has conducted several field trials of the various product lines and in the coming 12 months will market those products to clients at retail pricing models.

Off-Balance Sheet Arrangements

None.

Proposed Transactions

None.

Critical Accounting Policies

The preparation of financial statements is in conformity with international financial reporting standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee ("**IFRIC**").

The condensed consolidated interim financial statements have been prepared on a historical cost basis, modified where applicable. In addition, the condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information. The condensed consolidated interim financial statements are presented in United States dollars, unless otherwise noted.

The condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at March 31, 2019, the Company had not yet achieved profitable operations and has an accumulated deficit of $21,019,046 since its inception. The continuing operations of the Company are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds there from. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs with capital market equity financings. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

The significant accounting policies applied in the preparation of the financial statements are in Note 3 of the audited financial statements for the years ended December 31, 2018 and 2017.

Initial adoption of new accounting standards

Adoption of new accounting standards have been disclosed in Note 3 of the Company's condensed consolidated interim financial statements for the three months ended March 31, 2019 and 2018.

Future accounting standards issued but not yet in effect

Pronouncements that may have a significant impact to the Company have been included in the Company's condensed consolidated interim financial statements for the three months ended March 31, 2019 and 2018.

Share Capital

Authorized share capital of the Company consists of an unlimited number of common shares with no par value.

On February 15, 2019, the Company completed the Acquisition, pursuant to which the Company acquired all of the issued and outstanding common shares of VSBLTY, Inc. for 7.21228396 common shares the Company in a reverse takeover transaction. Immediately following the Acquisition, there were 61,853,959 common shares of the Company issued and outstanding. As the financial statements are a considered a continuance of the operations of VSBLTY, Inc., due to the reverse takeover, all of the share numbers, share prices, and exercise prices in these financial statements have been adjusted, on a retroactive basis, to reflect this exchange.

Summary of Quarterly Results

The following table provides selected quarterly unaudited financial data for the eight most recently completed interim quarters:

	Three months ended							
	March 31, 2019	**December 31, 2018**	**September 30, 2018**	**June 30, 2018**	**March 31, 2018**	**December 31, 2017**	**September 30, 2017**	**June 30, 2017**
Revenue	65,267	13,205	13,290	35,627	16,678	168,464	17,105	55,648
Net loss for the period	(14,212,789)	(861,139)	(865,064)	(380,518)	(342,661)	(303,110)	(412,816)	(327,381)
Basic and diluted loss per share	(0.25)	(0.02)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)

Summary of Results During Prior Eight Quarters

Net loss increased for the three months ended March 31, 2019, primarily due to increases in listing expense, share-based payments sales and marketing expense and research and development expense. This was partially offset by increases in revenue.

Net loss for the three months ended December 31, 2018, was consistent with the prior period. Increases in sales and marketing expense and research and development expenses were offset by decreases in general and administrative expenses.

Net loss decreased for the three months ended September 30, 2018, primarily due to an increase in general and administrative expenses related to preparing a prospectus.

Net loss increased for the three months ended June 30, 2018, primarily due to an increase in general and administrative expenses.

Net loss increased for the three months ended March 31, 2018, primarily due to a decrease in gross profit as a result lower revenue, partially offset by decrease in sales and marketing expenses.

Net loss decreased for the three months ended December 31, 2017, primarily due to an increase in gross profit as a result of greater revenue, partially offset by an increase in sales and marketing expenses.

Net loss increased for the three months ended September 30, 2017, primarily due to a decrease in gross profit as a result of lower revenue.

Results of Operations – For the three months ended March 31, 2019

The results of operations for the three months ended March 31, 2019 and 2018 are summarized below:

	Notes		Three months ended March 31, 2019		2018
Revenue					
License fees		$	26,940	$	6,150
Connectivity			4,080		2,805
Professional services			-		-
Hardware and other			34,247		7,723
			65,267		16,678
Cost of sales	13		(4,815)		(11,450)
Gross profit			60,452		5,228
Sales and marketing expenses	12, 13		(216,887)		(44,199)
General and administrative expenses	12, 13		(649,027)		(223,772)
Research and development expenses	12, 13		(285,570)		(60,186)
Share-based payments	10(c)		(350,026)		-
Operating loss			(1,441,058)		(322,929)
Listing expense	5		(12,776,736)		-
Finance costs	8, 9 ,15		(25,572)		(19,732)
Change in fair value of derivative liability	8		60,162		-
Loss on settlement of debt	8, 9		(12,063)		-
Interest income			2,280		-
Foreign exchange gain (loss)	8		(19,802)		-
Net loss for the period			(14,212,789)		(342,661)
Foreign currency translation			(14,160)		-
Comprehensive loss for the period		$	(14,226,949)	$	(342,661)
Loss per share – Basic and diluted		$	(0.25)	$	(0.01)
Weighted average shares outstanding – Basic and diluted			56,246,300		36,421,919

Total assets as at March 31, 2019 and December 31, 2018 were $1,906,062 and $912,792 , respectively. The increase in total assets was primarily a result of cash acquitted in the RTO, and was partially offset by expenditures in the period.

Total non-current financial liabilities as at March 31, 2019 and December 31, 2018 were $82,078 and $1,365,930, respectively. The decrease in total non-current financial liabilities was primarily a result of settling outstanding notes payable with issuance of common shares, partially offset by initial recognition of lease liabilities under adoption of IFRS 16 Leases.

Revenue

During the three months ended March 31, 2019 and 2018, the Company generated revenue of $65,267 and $16,678, respectively. Revenue for these years was generated from clients involved in trials of products and proof of concept efforts who paid lower than market value for the products to participate in the testing. The increase in revenue of $48,589 resulted from an increase in license fees and costs recovered for equipment damage claimed through insurance. In 2018, the initiatives were proof of concept which resulted in little to no revenue.

Cost of sales

Cost of sales for the three months ended March 31, 2019 and 2018 of $4,815 and $11,450, respectively. The decrease in cost of sales of $6,635 was due to the revenue that was generated had little to no direct costs. Such revenue was related to connectivity.

Operating expenses

	Three months ended March 31, 2019	Three months ended March 31, 2018
Marketing expenses	92,548	12,640
Meals and entertainment	22,879	9,724
Tradeshow expenses	44,085	12,835
General and administrative expenses	44,587	17,621
Professional fees	80,738	43,149
Consulting fees	202,490	-
Management fees	117,000	60,000
Rent	6,657	4,628
Salaries and wages	174,322	134,481
Travel	67,207	27,849
Depreciation	4,351	2,649
Lease-related depreciation	5,218	-
Utilities	9,571	2,581
Investor relations	9,108	-
Transfer agent and filing fees	15,153	-
Research and development materials	255,570	-
Total sales and marketing, general and administrative expense, and research and development expenses	$ 1,151,484	$ 328,157

The above table provides a breakdown of the various expense categories, by nature, for the three months ended March 31, 2019 and 2018. The increase in expenses of $823,327 is primarily a result of an increase in research and development materials of $255,570 related to further development of the Company's platform. Increases also related to consulting fees of $202,490 and management fees of $57,000 as a result of higher costs to operate as a publicly traded entity. Increases in sales and marketing expense consist of increases in general marketing expenses of $79,908 and salaries and wages of $48,375 which relate to promoting the Company's platform.

Share-based payments

Share-based payments for the three months ended March 31, 2019 and 2018 were $350,026 and $nil, respectively. The increase in share-based payments was a result of granting 5,730,000 share purchase options to certain directors, officers, consultants and employees in the period.

Listing expense

Non-cash listing expense of $12,776,736 in the three months ended March 31, 2019 relates to the RTO whereby the former shareholders of VSBLTY, Inc. acquired control of the Company, thereby constituting a reverse takeover of the Company. The listing expense was determined based on the difference between the consideration paid for the acquisition, less the fair value of net assets of the Company acquired.

Finance costs

Finance costs for the three months ended March 31, 2019 and 2018 were $25,572 and $19,732, respectively. Finance costs were relatively consistent with the comparative period as interest-bearing debt increased from year to year, but the impact was offset by debt settlements on February 15, 2019.

Other income and expenses

Other income and expenses consisted primarily of gain on change in fair value of derivative liability of $60,162. The gain resulted from conversion of the Company's convertible debentures in the period, resulting in extinguishment of the derivative liability.

Liquidity and Capital Resources

The accompanying financial statements have been prepared on a basis that contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company anticipates that it will have sufficient resources to meet the working capital requirements of the Company for at least the next 12 months. This assessment is based on the Company's current cash, as well as the net proceeds of the capital market equity financings the Company intends to consummate in fiscal 2019 and 2020. The first of those financings is being finalized and could result in net cash proceeds that will carry the Company until the end of the fiscal year with current expense volume.

During the three months ended March 31, 2019, working capital increased to $1,288,515 from a deficit of $1,050,428 at December 31, 2018. The increase in working capital was primarily due to cash and cash equivalents acquitted in the RTO, partially offset by cash used in operating activities.

Cash Flows

Historically and prospectively, our primary sources of liquidity and capital resources have been and will continue to be proceeds from the issuance of debt and common shares. Based on our current level of operations and our expected results of operations over the next 12 months, we believe that cash generated from operations and cash on hand and anticipated future capital raises, will be adequate to meet our anticipated liquidity requirements, capital expenditures and working capital needs for the next 12 months. However, we cannot be certain that our business will generate sufficient cash flow from operations, that our anticipated earnings from operations will be realized, or that future borrowings will be available or otherwise to enable us to service our indebtedness or to make anticipated capital expenditures. Our future operating performance and our ability to service our debt will be subject to future economic conditions and to financial, business and other factors, many of which are beyond our control. See "Financial Risk Management" of this MD&A for a discussion of the risks related to our liquidity and capital structure.

As at March 31, 2019, the Company had cash and cash equivalents of $1,561,732 (December 31, 2018 - $832,827). The increase in cash and cash equivalents compared to the year ended December 31, 2018 was primarily due to cash and cash equivalents acquitted in the RTO, partially offset by cash used in operating activities.

Net cash used in operating activities for the three months ended March 31, 2019 was $1,248,220 (2018 - $347,276). We continue to generate net losses and negative cash flows from operating activities due to the expenses we are incurring related to the development as well as general and administrative expenses. During the three months ended March 31, 2019, we incurred $934,597 (2018 - $283,958) of general and administrative and research and development expenses. Operating activity for the current period was significantly affected by increases in these expense categories. We have had continuing net losses and negative cash flow from operating activities, including a loss from operations of $1,441,058 for the three months ended March 31, 2019 (2018 - $322,929).

Net cash provided by investing activities for the three months ended March 31, 2019 was $1,827,769 (2018 - $1,548 used). The increase was primarily due to cash acquitted in the RTO, partially offset by an additional acquisitions of equipment in the period.

Net cash provided by financing activities for the three months ended March 31, 2019 was $149,162 (2018 - $100,000). The increase was primarily a result of an increase in proceeds from exercise of warrants, partially offset by a decrease in proceeds from issuance of common shares.

Principal Debt Arrangements

During the three months ended March 31, 2019, the Company settled all its existing debt arrangements.

Other Factors Affecting Liquidity

The Company may also raise additional equity or debt capital or enter into arrangements to secure necessary financing to fund the completion of development projects, to meet obligations or for the general corporate purposes of the Company. Such arrangements may take the form of loans, strategic agreements, joint ventures or other agreements. The sale of additional equity could result in additional dilution to the Company's existing stockholders, and financing arrangements may not be available to us, or may not be available in sufficient amounts or on acceptable terms.

From time to time, we may pursue various strategic business opportunities. These opportunities may include proposed development and/or management of, investment in or ownership of additional businesses through direct investments, acquisitions, joint venture arrangements and other transactions. We are not currently exploring such opportunities. We can provide no assurance that we will successfully identify such opportunities or that, if we identify and pursue any of these opportunities, any of them will be consummated.

Financial Risk Management

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. Foreign exchange risks are closely monitored, and attempts are made to match foreign cash inflows and outflows. As at March 31, 2019, the Company is primarily exposed to foreign exchange risk through its cash and cash equivalents denominated in Canadian dollars. The Company mitigates foreign exchange risk by monitoring foreign exchange rate trends and evaluating reinvestment opportunities when possible. The Company does not currently hedge its foreign exchange risk. Based on current exposures as at March 31, 2019 and assuming that all other variables remain constant, a 10% appreciation or depreciation of the Canadian dollar against the United States dollar would result in a gain or loss of approximately $94,000 in the Company's condensed consolidated statements of loss and comprehensive loss.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash, cash equivalents and trade and other receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness and mitigate its credit risk on receivables by actively managing and monitoring its receivables. Trade and other receivables also includes refundable goods and services tax which bears minimal credit risk as it is receivable from the Canadian government. The Company has been determined that no allowance is required, as all amounts outstanding are considered collectible. During the three months ended March 31, 2019, the Company incurred $nil in bad debt expense (2017 - $nil). The Company mitigates credit risk by evaluating the creditworthiness of customers prior to conducting business with them and monitoring its exposure for credit losses with existing customers.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2019, the Company is not exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Company addresses its liquidity through equity financing obtained through the issuance of equity and common shares. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Related Party Transactions

Key management compensation

During the three months ended March 31, 2019, remuneration of the Company's key management[1] consisted of management fees of $169,500 (2018 - $60,000). These fees are included in general and administrative expenses and sales and marketing expense.

Other related party transactions

During the three months ended March 31, 2019 and 2018, other related party transactions consisted of the following:

		Three months ended March 31, 2019		Three months ended March 31, 2018
Creative services paid to a related entity[2], included in cost of sales	$	-	$	669
Marketing expenses paid to a related entity[2], included in sales and marketing expenses		75,529		2,640
Accounting and administrative fees paid to related entities[2, 3], included in general and administrative expenses		68,082		63,045
Contract project development labour paid to a related entity[4], included in research and development expenses		156,488		-
Interest expense for notes payable to related parties[5], excluding discount accretion	$	6,882	$	10,072

Related party balances

At March 31, 2019, $2,604 (December 31, 2018 - $4,807) was due from related parties and is included in trade and other receivables. The amounts were non-interest bearing and due on demand.

At March 31, 2019, $114,187 (December 31, 2018 - $142,938) was due to related parties and is included in accounts payable and accrued liabilities. The amounts were non-interest bearing and due on demand.

At March 31, 2019, $nil (December 31, 2018 - $1,412,500) in notes payable were due to related parties, excluding discounts.

VSBLTY, Inc. is party to a contract with Think-Traffic, LLC, for the provision of certain marketing and support services. VSBLTY, Inc. can terminate this contract at any time. VSBLTY, Inc. expects to continue making payments to Think-Traffic, LLC in the normal course of business.

Except as disclosed above, VSBLTY, Inc. does not have any ongoing contractual or other commitments resulting from transactions with related parties.

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[1] Key management personnel include Jay Hutton, Chief Executive Officer; Laurette Pitts, Chief Financial Officer; Fred Potok, Chief Sales Officer; Jan Talamo, Chief Creative Officer; Linda Rosanio, Chief Operating Officer; and Tim Huckaby, Chief Technology Officer.

[2] Traffic Marketing LLC (dba Think-Traffic LLC), a shareholder and entity controlled by Kate Talamo who is a close family member of Jan Talamo, Chief Creative Officer of the Company.

[3] Quantum Advisory Partners LLP, an entity controlled by Alnesh Mohan, Director of the Company.

[4] InterKnowlogy, LLC, an entity controlled by Tim Huckaby, Chief Technology Officer of the Company.

[5] Related parties holding promissory notes include Kate Talamo, Jay Hutton, Nicholas Potok, Guy Lombardo and Fred Potok

Additional Disclosure for IPO Venture Issuers Without Significant Revenue

During the years ended March, 31, 2019 and 2018, the Company incurred the following research and development and general and administrative expenses:

	Three months ended March 31, 2019	Three months ended March 31, 2018
General and administrative expenses	44,587	17,621
Bad debt expense	-	-
Professional fees	80,738	43,149
Consulting fees	202,490	-
Management fees	117,000	60,000
Rent	6,657	4,628
Salaries and wages	116,947	125,481
Travel	67,207	27,849
Depreciation	4,351	2,649
Lease-related depreciation	5,218	-
Utilities	9,571	2,581
Investor relations	9,108	-
Transfer agent and filing fees	15,153	-
Research and development materials	255,570	-
Total general and administrative expense, and research and development expenses	$ 934,597	$ 283,958

Following the Company's listing on the Canadian Securities Exchange, management plans to raise funds to provide the cash infusion necessary to continue operations through year end 2019. Management anticipates products to be complete with research and development which allows the Company to sell the products on the open market worldwide resulting in cash revenue to fund anticipated operating expenses.

Management anticipates operating expenses for the year ending December 31, 2019 to be approximately $2,900,000.

The Company does not anticipate paying dividends during this time period.

Disclosure of Outstanding Share Data

The total number of outstanding common shares, warrants and stock options as of the date of this MD&A are 77,412,374, 7,189,513, and 5,930,000, respectively.