AMPD VENTURES INC.

Management's Discussion and Analysis
For the six months ended November 30, 2019 and 2018

GENERAL

This management discussion and analysis is dated January 22, 2020. The following is a discussion of the financial condition and operations of AMPD Ventures Inc. ("AMPD" or the "Company") for the six months ended November 30, 2019 and of the Company`s financial condition, cash flows and results of operations. This discussion and analysis should be read in conjunction with the condensed consolidated interim financial statements and accompanying notes of the Company for the six months ended November 30, 2019.

The Company's condensed consolidated interim financial statements and the notes thereto have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are reported in Canadian dollars. References to notes are to notes of the condensed consolidated interim financial statements unless otherwise stated. All inter-company balances and transactions have been eliminated. All amounts are expressed in Canadian dollars unless otherwise indicated.

Management is responsible for the preparation and integrity of the condensed consolidated interim financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the consolidated financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines to ensure transparency and accountability to shareholders.

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

BUSINESS HIGHLIGHTS

On October 11, 2019, the Company completed its go-public transaction. The Company began trading on the Canadian Securities Exchange on October 24, 2019. On November 4, 2019, the Company announced that it was listed on the Frankfurt Stock Exchange.

On November 11, 2019, the Company announced the roll-out of its high-performance computing (HPC) platform as part of their collaboration with the Digital Technology Supercluster's Learning Factory project. The project was first announced in March 2019 and aims to provide digital solutions for the manufacturing industry. This project will create "virtual reality versions" or digital twins.

On November 13, 2019, the Company announced its partnership with Myesports Ventures ("MEV", DBA: The Gaming Stadium) to supply compute infrastructure for players and game hosting onsite at new stadiums as they are built across North America. Esports stadiums are places where players compete in Esports tournaments with a live audience while also being streamed to platforms such as Twitch.TV. MEV's first stadium went live in June 2019 in Richmond BC and MEV has plans for 3 new stadiums coming online in 2020.

On November 15, 2019, the Company announced the rollout of its AMPD Remote Render Service, which will be utilized by Bardel Entertainment to render animated television and movie content such as the hugely popular Adult Swim series, Rick and Morty. Rendering for animated content is the process through which two-dimensional or three-dimensional images are generated for the screen from a computer, using huge amounts of computer processing power.

On December 3, 2019, the Company announced it had signed a Letter of Intent (the "LOI") to acquire all of the issued and outstanding shares of Cloud A Computing Inc. ("Cloud-A"), an established self-service cloud computing infrastructure company, with points of presence in Ontario, Nova Scotia, and British Columbia, expanding AMPD's footprint across Canada, and adding over 250 customers to the AMPD network at an expected purchase price of $751,247. The purchase price is expected to be satisfied through the issuance of $440,000 common shares in the capital of AMPD, and the payment of cash consideration of $311,246.66. The common shares to be issued by AMPD as part of the Purchase Consideration by AMPD are expected to be held in escrow for two years, being released in four equal instalments every six months after the deal is closed.

On January 10, 2020, the Company announced its intent to complete a $950,000 placement. Proceeds of the placement will be used for expansion, key staff hiring, and general working capital purposes.

(Expressed in Canadian dollars)

KEY PERFORMANCE INDICATORS

Key performance indicators that we use to manage our business and evaluate our financial results and operating performance include new customers, revenues, operating expenses and net income. We evaluate our performance on these metrics by comparing our actual results and normalized results to management budgets, forecasts and prior period performance.

DESCRIPTION OF BUSINESS

AMPD is an industry leading technology integrator providing hardware, software, hosting and support solutions to game developers and publishers as well as a range of other emerging sectors. AMPD has partnered with some of the top technology companies in the industry to provide customers with the advanced Cloud and IT Infrastructure solutions

AMPD was formed on April 8, 2015 under the British Columbia Corporations Act and its wholly owned subsidiary company. AMPD Game Technologies US Inc. ("AMPD US"), was incorporated on May 15, 2017 under the Secretary of State of Washington.

The founders of AMPD have been architecting high-performance computing ("HPC") infrastructure for nearly two decades. At their previous company, Seven Group, the team initially applied their expertise to solutions for banks, governments and academia, and subsequently focused on building out technology infrastructure for digital media companies.

AMPD continues to address the needs of these sectors, and is also applying high-performance computing principles to the low-latency requirements of multiplayer video game publishing, as well as the intense computation requirements of digital media production and distribution, where massive amounts of high-performance computing resources are required for the development, rendering and distribution of products. As gaming continues to transition from the basement to the sports arena, AMPD intends to increase its focus on providing infrastructure for latency-sensitive eSports games across North America and Europe.

SUMMARY OF KEY EVENTS AND FUTURE PLANS

Recent Events

On October 11, 2019, the Company completed a Share Exchange Agreement (the "Transaction") whereby AMPD Ventures Inc. (formerly E-Gaming Ventures Corp.) ("AMPD Ventures") acquired all of the issued and outstanding shares of AMPD Holdings Inc. in exchange for issuing 20 million common shares at a deemed value of $0.35 per share. As a result of the Transaction, the shareholders of AMPD Holdings Inc. will hold approximately 53.85% of the shares of the resulting entity and the Transaction will be accounted for as a reverse acquisition of a non-operating entity with the AMPD Holdings Inc. identified as the acquirer and the continuing entity for accounting purposes. The ongoing entity will continue as AMPD Ventures Inc. (AMPD or the Company). AMPD obtained a listing on the Canadian Securities Exchange in connection with the Transaction. October 23, 2019, AMPD announced that it had received final approval from the Canadian Securities Exchange and would begin trading the following day.

As a result of the transaction, the common shares of the resulting company at October 11, 2019 is as follows:

	Common Shares
Common shares of AMPD Ventures Inc.	16,606,954
Common shares of AMPD Holdings Inc.	20,000,000
Common shares issued on conversion of special warrants	531,986
Common shares outstanding	37,138,940

(Expressed in Canadian dollars)

Full warrant equivalents for royalty units	424,904
Warrants issued for surrender of AMPD Holdings Options	5,000,000
Common shares to be issued on conversion of debt	898,058
Finder's Warrants	279,591
	6,602,553
Fully diluted common shares at October 11, 2019	43,741,493

During the period from October 11, 2019 to November 30, 2019, 8,400 finder's warrants were exercised for common shares, and 2,250,000 stock options were awarded.

The Company intends to use the capital raised to expand its sales reach and product portfolio and the projects described under Item 2 above, as well as other initiatives. This initial expansion is expected to increase AMPD's operating deficit in the short- to medium-term.

The Company is currently developing the following projects which will require additional funds to complete and which have not yet generated significant revenues:

Canada's Digital Technology Supercluster

The Company is a founding member of Canada's Digital Technology Supercluster ("CDTS"), a business-led innovation consortium centered in Vancouver, British Columbia. CDTS aims to position Canada as a global leader in digital technologies by bringing together small, medium-sized and large companies, post-secondary institutions, research organizations and not-for-profits. CDTS manages the investments provided by the Government of Canada and the public and private organizations which constitute its membership.

As a founding member, the Company sits on the board of CDTS, and the Company's CEO, Anthony Brown is also on the executive committee. To retain the rights and benefits of a founder, AMPD must pay a program management fee in cash and make general program investments in-kind to CDTS. AMPD's financial commitment to CDTS for the 2019 fiscal year is $150,000 in program management fees. To retain its founder status in 2020 and for the subsequent three years thereafter, AMPD must pay $300,000 per year in program management fees. Membership of CDTS is voluntary and AMPD has not yet renewed its membership for 2020.

AMPD Data Centres

The Company intends to operate AMPD Data Centres in urban locations across North America and Europe. AMPD Data Centres are intended to host customers in each location requiring low connection latency which can be achieved through proximity to the large urban population base. As at the date of this MD&A, the first AMPD Data Centre, DC1, is currently operational at 1540 West 2nd Avenue, Vancouver, B.C. AMPD is currently working in conjunction with Hynes Developments on a second AMPD Data Centre at 1508 West 2nd Avenue, Vancouver, B.C., and a third AMPD Data Centre at Capilano University in North Vancouver, B.C. In each case, it is anticipated that the buildings will be owned or leased by Hynes Developments, with the data centre spaces being leased and managed by the Company.

(Expressed in Canadian dollars)

SELECTED ANNUAL INFORMATION

Year ended May 31,	2019	2018	2017
Revenue	$ 1,343,082	$ 993,687	$ 868,698
Operating expenses	665,485	595,335	332,528
Finance costs	75,520	24,030	-
Other income (expenses)	(3,495)	5,118	23,358
Net income (loss)	(605,383)	(465,527)	(225,780)
Loss per share, basic and fully diluted	(0.06)	(0.05)	(0.02)
Operating cash	106,176	71,934	122,171
Working capital (deficiency)	(753,794)	(260,340)	117,376
Total assets	141,809	124,848	178,709
Total long-term liabilities	-	-	-
Shareholders' equity (deficiency)	$ (752,784)	$ (258,926)	$ 120,518

The Company presently does not pay and does not anticipate paying any dividends on its common shares, as all available funds will be used to develop the Company's business for the foreseeable future. See Discussion of Operations below for a discussion of factors which have contributed to period to period variations.

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected financial information for each of the last eight quarters.

Quarter ended	Revenues	Operating Expenses	Net Income (Loss) from Operations	Earnings (Loss) per share *
November 30, 2019	$ 142,025	$ 892,513	$ (4,319,014)	$ (0.20)
August 31, 2019	213,479	215,527	(223,222)	(0.01)
May 31, 2019	326,080	197,760	(192,370)	(0.01)
February 28, 2019	726,463	174,618	(85,295)	(0.01)
November 30, 2018	155,330	161,223	(135,886)	(0.01)
August 31, 2018	135,209	131,884	(111,817)	(0.01)
May 31, 2018	350,667	308,550	(259,309)	(0.02)
February 28, 2018	220,702	94,691	(58,697)	(0.00)

**Per share numbers adjusted to reflect the share exchange ratio in the Transaction.*

The Company's revenues are generally consistent on a quarterly basis with the exception of February 2019 which is significantly greater due to the acquisition of a new customer and the completion of a sale to that customer. Individual sales to the Company's major customers may represent a significant portion of the Company's revenues in a quarter and the timing of closing these sales may cause variation in revenues from quarter to quarter. The Company intends to continue to expand its services which generate recurring revenue in the form of monthly fees for multi-year contracts or utilization-based billing which it expects will smooth variations in quarterly revenues.

THREE-MONTH PERIOD ENDED NOVEMBER 30, 2019

The net loss during the three months ended November 30, 2019 increased to $4,319,014 ($0.20 per share) from $147,717 ($0.01 per share) in the three months ended November 30, 2018. The most significant change was a one-time cost of $3,405,568 in the three months ended November 30, 2019 related to the go-public transaction. Other contributing factors to the increase were increased advertising, non-cash share based compensation and consulting fees.

(Expressed in Canadian dollars)

Following is a discussion of the Company's financial results for the three months ended November 30, 2019, compared to the same period in the prior fiscal year.

Revenue

	Three months ended Nov. 30		Variance from 2019 to 2018	
	2019	2018		
Hardware sales	$ 82,572	$ 73,850	$ 8,722	12%
Software licensing fees	6,096	4,531	1,565	35%
Hosting fees	39,441	61,540	(22,099)	(36)%
Support and maintenance and other	13,916	15,409	(1,493)	(10)%
Total	$ 142,025	$ 155,330	(13,305)	(9)%

Consolidated revenues for the three months ended November 30, 2019 decreased by $13,305 compared to the three-month period ended November 30, 2018. The decrease in revenues can be attributed primarily to slower than expected progress in raising funding, which resulted in greater focus on shareholder marketing at the expense of building operations.

Revenues and Cost of Sales

	Three months ended Nov. 30		Variance from 2019 to 2018	
	2019	2018		
Revenue	$ 142,025	$ 155,330	(13,305)	(9)%
Cost of sales	131,955	129,993	(1,962)	(2)%
Gross profit	$ 10,070	$ 25,337	(15,267)	(60)%

The Company's cost of sales increased by $1,962, or 2%, over the November 2018 quarter and the Company's gross margin on revenues decreased from 16% to 7% compared to the November 2018 quarter. The decrease in gross margin is primarily the result of the lower margins expected with one-time technology sales compared with monthly-recurring revenue (MRR) sales, and a large technology sale happening within the period, as well as the early termination of the contract with Capcom Vancouver due to the closure of the Capcom Vancouver studio.

Revenue by geographic region

	Three months ended Nov. 30		Variance from 2019 to 2018	
	2019	2018		
Canada	$ 109,181	$ 150,142	(40,961)	(27)%
United States	32,844	5,188	27,656	533 %
Total	$ 142,025	$ 155,330	(13,305)	(9)%

During the three-month period ended November 30, 2019, total revenues in Canada decreased by $40,961 compared to revenues in Canada during the three-month period ended November 30, 2018 and revenues in the United States increased by $27,656. The decrease in Canada is due primarily to the early termination of the contract with Capcom Vancouver, and the increase in the US is due to an uptick in tech sales within the US market.

(Expressed in Canadian dollars)

Selling and Marketing

	Three months ended November 30		Variance
	2019	2018	
Advertising and promotion	$ 303,839	$ 4,545	$ (299,294)
Travel and entertainment	20,520	15,067	(5,453)
Total	$ 324,359	$ 19,612	$ (304,747)

During the three-month period ended November 30, 2019, selling and marketing expenses increased by $304,747 compared to the November 2018 quarter due to increased promotion of the Transaction and placement, especially in Europe, and the Company's business and growth strategy.

Operating, General and Administrative ("G&A") Expenses

	Three months ended November 30		Variance
	2019	2018	
Amortization	$ 22,697	$ 195	$ (22,502)
Bank charges	2,354	1,746	(608)
Consulting fees	241,089	67,603	(173,486)
Dues and subscriptions	1,334	36,343	35,009
Insurance	9,728	1,585	(8,143)
Office and miscellaneous	22,842	6,062	(16,780)
Professional fees	(20,767)	5,327	26,094
Regulatory fees	4,838	-	(4,838)
Share based payments	284,039	22,750	(261,289)
Total G&A expenses	$ 568,154	$ 141,611	$ (426,543)

During the three-month period ended November 30, 2019, G&A expenses increased by$426,543 as compared to the three-month period ended November 30, 2019. The increase in G&A expenses is primarily due to an increase in non-cash share-based payments increased with the award of 2,250,000 stock options. Consulting fees were increased as new staff were hired to help with the expected sales increase. Professional fees showed a recovery in the three-month period ended November 30, 2019 as some of the fees expensed in the August 2019 quarter were recognized as expenses of the RTO. Amortization increased with lease costs.

Interest and financing costs

	Three months ended November 30		Variance
	2019	2018	
Interest expense	31,013	$ 11,703	$ (19,310)
Listing fees	3,405,568	-	(3,405,568)
Total	3,436,581	$ 11,703	$ (3,424,878)

Interest and financing costs for the three-month period ended November 30, 2019 increased by $19,310. The increase is due to the Company issuing additional unsecured convertible promissory notes in May 2019. Listing fees are one-time expense related to the go public transaction.

SIX-MONTH PERIOD ENDED NOVEMBER 30, 2019

The net loss during the six months ended November 30, 2019 increased to $4,542,236 ($0.26 per share) from $272,984 ($0.02 per share) in the three months ended November 30, 2018. As reported in the three-month results from operations, the most significant change was a one-time cost of $3,405,568 in the three months ended November 30, 2019 related to the go-public transaction. Other contributing factors to the increase were increased advertising, non-cash share-based compensation and consulting fees.

Revenue in the six-month period to November 2019 increased to $355,504 on stronger hardware sales. Gross margins were reduced primarily due to the early termination of the contract with Capcom Vancouver.

LIQUIDITY

As at November 30, 2019, the Company had a working capital of $708,018 (May 31, 2109 – deficit of $753,791). The improvement is primarily due to the Company's go-public transaction and concurrent cash raise, to fund ongoing expansion activity. The Company expects to continue to report operating losses for the immediate future.

The Company experiences significant fluctuations in liquidity due to the timing of sales to major customers whereas operating expenses are generally incurred evenly throughout the fiscal year. All of the Company's liabilities are due within the current year. The Company does not have significant levels of inventory or constraints on its working capital other than regular operating expenses.

The Company has completed an investment round to provide it with capital to meet current obligations and finance future operations and would allow it to scale its ability to identify and execute new deals. AMPD intends to do this in parallel with expanding its effective reach to a global audience while expanding its product portfolio. A further capital raise is also currently being undertaken.

COMMON SHARES

The Company expects to acquire capital resources to expand operations through the completion of the Transactions as described above. Additional sources of financing and share issues are as follows:

The Company holds debt of $101,544 related to credit facility, bearing 16% interest and maturing October 13, 2020. The Company is required to meet certain covenants imposed by the lender which includes a financial covenant to maintain a minimum net worth, defined as its share capital plus retained earnings. As at November 30, 2019, the Transaction brought the Company into compliance with this financial covenant.

On August 29, 2018, the Company issued a $250,000 unsecured convertible promissory note to one of its principal shareholders who is also an officer and director of the Company. The note bears interest at 12% per annum, compounded monthly in arrears, matures on August 29, 2021, and is convertible to common shares at any time at the option of the holder at a conversion price of $0.79 per common share. On May 1, 2019, the Company amended the maturity date of the note to May 1, 2020 and the conversion price to $0.70 per common share.

On May 1, 2019, the Company issued a $120,000 unsecured convertible loan to an unrelated party. The note bears interest at 12% per annum, compounded monthly in arrears, matures on May 1, 2020, and is convertible to common shares at any time at the option of the holder at a conversion price of $0.70 per common share.

On June 1, 2019, the Company issued 1,638,902 common shares to an officer of the Company and 546,301 common shares to a consultant as employment sign-on incentives for gross proceeds of $1,286.

On June 1, 2019, the Company issued 169,960 common shares at a deemed value of $50,000 per share for consulting services.

On July 1, 2019, the Company entered into an asset purchase agreement for the purchase of computing equipment. The Company issued 594,860 common shares for a purchase price of $175,000 as consideration for the purchase of the equipment.

OFF-BALANCE SHEET AND OTHER ARRANGEMENTS

During the year ended May 31, 2017, the Company issued 500,000 (849,800 units at the conversion ratio) royalty units at $0.50 per unit for gross proceeds of $250,000. Each royalty unit is comprised of one common share and one non-transferrable special warrant. Holders of the special warrants are entitled to receive a pro-rata share of 0.83% of the Company's annualized gross sales, to a maximum of 80% of net profit for that year, so long as the Company maintains a positive annual EBITDA. Once holders of the special warrants have received an amount equal to the aggregate purchase price of the royalty units, the Company may at its sole discretion convert each special warrant to one-half of one share purchase warrant, being 424,904 half warrants post-Transaction. Each post-Transaction, whole share purchase warrant issued on conversion of the special warrants will entitle the holder to purchase one common share at $0.70 per share for a period of 12 months following conversion.

(Expressed in Canadian dollars)

Following conversion of the special warrants, provided that the Company maintains a positive annual EBTIDA and receives board of director approval, the Company expects it will pay to all holders of common shares an annual dividend of no less than 5% of the Company's annualized gross sales in excess of $5 million.

RELATED PARTY TRANSACTIONS

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

During the period ended November 30, 2019 and 2018, the remuneration of the key management personnel was as follows:

November 30,		2019		2018
Chief Executive Officer	$	54,500	$	27,000
Chief Financial Officer		750		-
Chief Strategy Officer		61,203		5,000
Chief Technology Officer		60,750		-
Vice President of Client Services		39,500		39,000
Vice President of Operations		43,500		27,000
Total	$	358,160	$	98,000

<u>Other related party transactions and balances</u>

The Company recognized $59,149 in share-based compensation on the vested portion of stock options granted to directors and officers of the Company.

Convertible debt of $250,000 and interest earned of $42,242 is payable to the CEO at November 30, 2019.

CRITICAL ACCOUNTING ESTIMATES AND CHANGES IN ACCOUNTING POLICIES

Adoption of International Financial Reporting Standards

The Company previously prepared its annual financial statements in accordance with Canadian Accounting Standards for Private Enterprises ("ASPE").

The Company adopted International Financial Reporting Standards ("IFRS") with an effective date and transition date of June 1, 2016. Under IFRS 1 First-time Adoption of International Financial Reporting Standards the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities included in retained earnings unless certain exemptions are applied. None of the exemptions which could be applied on the transition to IFRS were applicable to the Company.

The Company also early-adopted IFRS 9 Financial instruments and IFRS 15 Revenue from contracts with customers and applied those standards on the date of adoption of IFRS.

On conversion from ASPE to IFRS there were no significant changes that required adjustments to the Company's financial statements as at June 1, 2016 and for the year ending May 31, 2017.

All significant critical accounting estimates are fully disclosed in Note 2 of the interim consolidated financial statements.

(Expressed in Canadian dollars)

FINANCIAL INSTRUMENT RISKS

The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, convertible debt and long-term debt. These financial instruments are exposed to certain risks, including credit risk, interest rate risk, liquidity risk and other market risk.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash is held through large Canadian financial institutions. The Company considers credit risk on its cash to be minimal.

The Company's accounts receivable consists of Goods and Services Tax due from the Federal Government of Canada and amounts receivable from customers. The Company's maximum exposure to credit risk as at November 30, 2019 is $20,032 (May 31, 2019 - $34,424), representing accounts receivable.

For amounts due from customers, the Company performs ongoing credit evaluations of its customers and monitors the receivable balance and the payments made in order to determine if an allowance for estimated credit losses is required.

When determining the allowance for estimated credit losses the Company will consider historical experience with the customer, current market and industry conditions and any specific collection issues. As at November 30, 2019 and May 31, 2019, the Company did not have any material overdue accounts.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accounts payable and accrued liabilities are due within the current operating period, as is the debt. The Company manages its liquidity risk through its operating budgets and financing activities.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk from its secured loans and convertible debentures. The Company's interest rates on these loans are fixed and the sensitivity of the Company's loss before tax to a reasonably possible change in market interest rates is considered minimal.

Other Market Risk

Other market risk that the Company is exposed to includes currency risk. Currency risk is the risk of loss due to fluctuation of foreign exchange rates and the effects of these fluctuations on foreign currency denominated monetary assets and liabilities. The Company is not exposed to significant currency risk as the parent entity and subsidiaries primarily transact in their functional currencies.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at the date of this MDA, November 30, 2019, and May 31, 2019, the Company's issued and outstanding common shares, converted for the exchange ratio used in the Transaction, were:

	January 22, 2020	November 30, 2019	May 31, 2019
Common shares issued and outstanding	37,147,340	37,147,340	16,200,171*

The May 31, 2019 shares outstanding have been adjusted from 9,531,646 to reflect the exchange ratio applied to these shares from the Transaction.

As at the date of this MDA, November 30, 2019, and May 31, 2019, the following common share purchase options and convertible instruments, converted for the exchange ratio used in the Transaction, were issued and outstanding:

(Expressed in Canadian dollars)

	Maximum potential common shares		
	Jan. 22, 2020	Nov. 30, 2019	May 31, 2019
Common share purchase options exercisable at $0.35 per share	900,000	900,000	-
Common share purchase options exercisable at $0.50 per share	1,350,000	1,350,000	-
Common share purchase options exercisable at $0.63 per share	650,000	650,000	-
Common share purchase options exercisable at $0.39 per share	50,000	-	-
Warrants exercisable at $0.006 per share	5,000,000	5,000,000	-
Common share purchase warrants exercisable at $0.35 per share	424,004	424,004	424,004*
Convertible debt - $250,000 convertible to common shares at $0.70 per share [1]	357,143	357,143	357,143*
Convertible debt - $120,000 convertible to common shares at $0.70 per share [1]	171,429	171,429	171,429*

**The May 31, 2019 numbers have been adjusted to reflect the exchange ratio applied to these shares from the Transaction.*

BUSINESS RISK FACTORS

The Company is exposed to a number of "Risk Factors", which are summarized below:

- The Company is a development stage company with little operating history, a history of losses and the Company cannot assure profitability.
- Uncertainty about the Company's ability to continue as a going concern.
- The Company's actual financial position and results of operations may differ materially from the expectations of the Company's management.
- There are factors which may prevent the Company from the realization of growth targets. The Company is currently in the expansion from early development stage.
- The Company may face significant competition.
- The Company may be subject to additional regulatory burden resulting from its public listing on the CSE.
- There is no assurance that the Company will turn a profit or generate immediate revenues.
- The Company may not be able to effectively manage its growth and operations, which could materially and adversely affect its business.
- The Company may fail to successfully market and develop its brand.
- Failure to Innovate.
- The Company may be unable to adequately protect its proprietary and intellectual property rights.
- Intellectual Property Infringement.
- The Company may be forced to litigate to defend its intellectual property rights, or to defend against claims by third parties against the Company relating to intellectual property rights.
- The Company may become subject to litigation, which may have a material adverse effect on the Company's reputation, business, results from operations, and financial condition.
- Reliance on Third Party Software.
- Use of Open Source Software.
- Disruption of Information Technology Systems.
- Dependence on Internet Infrastructure; Risk of System Failures, Security Risks and Rapid Technological Change.
- If the Company is unable to attract and retain key personnel, it may not be able to compete effectively in the technology, cloud storage/computing and gaming sectors.
- There is no assurance that the Company will secure strategic partnerships jurisdictions in which the Company considers important.
- Failure to successfully integrate acquired businesses, its products and other assets into the Company, or

if integrated, failure to further the Company's business strategy, may result in the Company's inability to realize any benefit from such acquisition.

- The Company will be reliant on information technology systems and may be subject to damaging cyberattacks.
- The Company's officers and directors may be engaged in a range of business activities resulting in conflicts of interest.
- In certain circumstances, the Company's reputation could be damaged.
- No guarantee on the use of available funds by the Company.
- Risks Related to the Company's Securities.
- The Company does not anticipate paying dividends to common shareholders in the foreseeable future.
- Future sales of Common Shares by existing shareholders could reduce the market price of the Common Shares.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information including the Company's future plans. The use of any of the words "target", "plans", "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Such forward looking information, including but not limited to statements pertaining to Company's future plans and management's belief as to the Company's potential involve known and unknown risks, uncertainties and other factors which may cause the actual results of the Company and its operations to be materially different from estimated costs or results expressed or implied by such forward-looking statements. Forward looking information is based on management's expectations regarding future growth, results of operations, future capital and other expenditures (including the amount, nature and sources of funding for such expenditures), business prospects and opportunities. Forward looking information involves significant known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: the risks associated with the commercial viability of any technologies the Company is in the process of developing or deploying, delays or changes in plans with respect to any technologies, costs and expenses, the risk of foreign exchange rate fluctuations, risks associated with securing the necessary regulatory approvals and financing to proceed with any planned business venture, product development or deployment, and risks and uncertainties regarding the potential to economically scale and bring to profitability any of the Company's current or planned endeavors. Although the Company has attempted to take into account important factors that could cause actual costs or results to differ materially, there may be other factors that cause the results of the Company's business to not to be as anticipated, estimated or intended.

There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. See the Risk Management section of this MD&A for a further description of these risks. The forward-looking information included in this MD&A is expressly qualified in its entirety by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking information.