



## **SWMBRD SPORTS INC.**

### **Management Discussion & Analysis for the Year Ended February 28, 2022**

The following discussion and analysis of the financial position and results of operations for Swmbrd Sports Inc. should be read in conjunction with the audited financial statements for the **year ended February 28, 2022**, which are prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”).

The effective date of this report is June 20, 2022.

All financial figures presented herein are expressed in Canadian Dollars (CDN\$) unless otherwise specified.

#### **Nature of Business**

The Company is a British Columbia-based sporting goods company focused on developing, manufacturing, marketing, and selling aquatic sports products in the sporting goods and outdoor recreation industries. The Company’s main asset is the 100% ownership of the SWMBRD aquatic sports board (the “Swimboard”) and multiple variants thereof, along with designs covering numerous related accessories. The Company owns a significant array of patents covering the European Union, the United States and Canada, along with the trademark “ZAMBEZI” for Canada, which was granted when the Company’s name was “Zambezi Sports Inc.”. The Company has submitted applications in the European Union, the United Kingdom, the United States, and Canada for the trademark “SWMBRD”.

The Company plans on developing Swimboard into a global aquatic sports and lifestyle brand built around the new sport of Swimboarding. By virtue of its design, the Swimboard is the most versatile, easy to use, and consumer-friendly aquatic sports board in the world.

The Company was listed on the Canadian Securities Exchange (“CSE”) on February 16, 2022 under the symbol “SWIM”.

The head office, principal address and registered and records office of the Company are located at 1450 – 789 West Pender, Vancouver, BC, Canada, V6C 1H2.

## **Corporate Activities**

On March 15, 2021, 720,000 RSU's were granted to consultants of the Company at a deemed price of \$0.05 per share. The vesting date of 240,000 RSU's was September 15, 2021 and the vesting date of the remaining 480,000 RSU's was September 30, 2021. On September 30, 2021, the RSU's were exercised and exchanged for 720,000 common shares of the Company. During the year ended February 28, 2022, the Company recognized share-based compensation expense related to the RSUs in the amount of \$36,000.

On March 16, 2021, the Company closed a private placement of 518,500 units (each, a "Unit") at a price of \$0.05 per Unit for aggregate proceeds of \$25,925. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price (as amended on October 27, 2021) of \$0.10 until July 22, 2022, and \$0.15 from July 23, 2022 until July 22, 2023.

On March 17, 2021, the Company appointed Jody Bellefleur as Chief Financial Officer of the Company.

On June 25, 2021, the Company closed a private placement of 2,427,152 units (each, a "Unit") at a price of \$0.075 per Unit for aggregate proceeds of \$182,036. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price (as amended on October 27, 2021) of \$0.20 until December 25, 2023.

On July 9, 2021, the Company changed its name to "SWMBRD Sports Inc.". The Company's name change was due to trademark restrictions involving the name "Zambezi". Trademarks were filed for the name "SWMBRD" in Canada on June 15, 2021; in the United States on June 23, 2021; and in Europe on July 5, 2021.

On October 22, 2021, the Company held a special meeting to appoint Roc Smith as a director of the Company.

On October 27, 2021, the Company amended the terms of the Warrants issued in the three private placement offerings on February 26, 2021, March 16, 2021 and June 25, 2021 to provide for an extension of the expiry dates of the Warrants. The expiry date of the Warrants issued in the private placement on February 26, 2021 were extended such that each Warrant entitles the holder to acquire one Warrant Share at a price of: (i) \$0.10 per Warrant Share until July 1, 2022; and (ii) \$0.15 per Warrant Share from July 2, 2022 until July 1, 2023. The expiry date of the Warrants issued in the private placement on March 16, 2021 were extended such that each Warrant entitles the holder to acquire one Warrant Share at a price of: (i) \$0.10 per Warrant Share until July 22, 2022; and (ii) \$0.15 per Warrant Share from July 23, 2022 until July 22, 2023. The expiry date of the Warrants issued in the private placement on June 25, 2021 were extended such that each Warrant entitles the holder to acquire one Warrant Share at a price of \$0.20 per Warrant Share until December 25, 2023.

On November 26, 2021, the Company appointed Frances Petryshen as a director of the Company.

On December 1, 2021, the Company renewed the management agreement with Zimtu for a rate of \$12,500 per month for a period of 12 months. On January 21, 2022, the Company entered into an amended agreement with Zimtu, whereby Zimtu has agreed to defer the amount owing until the earlier of the Company becoming cash flow positive or April 30, 2023.

On January 19, 2022, the Company issued 4,000,000 Performance Warrants to each of Justin Schroenn, Matthew Schroenn and Gareth Schroenn. The Performance Warrants are exercisable at a price of \$0.10 and will vest upon the Company entering into an employment agreement with a former senior level executive from a major sporting brand to act as Chief Executive Officer of the Company. These warrants vested on April 4, 2022. Since none of the warrants vested in during the year ended February 28, 2022, no share-based compensation has been recognized.

On January 24, 2022, the Company completed a private placement in which it issued 655,000 Unit at a price of \$0.10 per Unit for gross proceeds of \$65,500. Each Unit consists of one Common Share and one Warrant exercisable at \$0.20 for 12 months and \$0.30 for a further 12 months. The Company granted 25,900 finder's warrants with the same terms as the share purchase warrants. The finders' warrants were valued at \$932 using the Black-Scholes option pricing model.

On January 26, 2022, the Company filed its Long Form Prospectus and on February 16, 2022, the Company was listed on the Canadian Securities Exchange ("CSE") under the symbol "SWIM".

On March 1, 2022, the Company entered into a twelve-month investor relations agreement with Stockhouse Publishing Inc. ("Stockhouse"). Stockhouse has agreed to provide investor relations services to the Company in exchange for an aggregate amount of \$157,500 (including GST). \$118,125 (including GST) is payable and will be applied to the first and last two months of the contract. The remainder of the fee is payable monthly.

On March 1, 2022, the Company entered into an investor relations agreement with TNW Media Agency ("TNWMedia"). TNWMedia has agreed to provide investor relations services to the Company in exchange for a monthly payment of \$3,500. The terms of service commenced on March 1, 2022 and will continue until terminated on 30 days notice by the Company.

On March 1, 2022, the Company entered into a marketing agreement with Trevor O'Neill ("O'Neill"). O'Neill has agreed to provide marketing services to the Company in exchange for a monthly payment of \$4,000. The terms of service commenced on March 1, 2022 and will continue on an "as needed" basis, commencing with a three-month probationary period.

On March 5, 2022, the Company entered into an investor relations agreement with Proactive Investors North America Inc. ("Proactive"). Proactive has agreed to provide investor relations services to the Company in exchange for an aggregate amount of \$25,000 (including GST) due upfront. The initial term of service is until March 31, 2023 and automatically renews thereafter for an additional twelve-month term.

On March 22, 2022, the Company announced that the trademark "SWMBRD" and associated design (logo) has been successfully registered by the European Union Intellectual Property Office. The trademark has been registered in all seven of the NICE Classifications sought by the Company

On March 28, 2022, the Company announced that the European Union Intellectual Property Office has awarded the Company an additional ten (10) Community Design Registrations (Industrial Design Patents).

On March 29, 2022, the Company announced that Take Outdoors has informed the Company that the process of milling the twin high capacity aluminum SWMBRD molds has now been completed. The two molds pertain to two distinct phases in the production of SWMBRD's proprietary swimboard

On April 4, 2022, the Company entered into an independent contractor agreement with Black Tag Inc. (“Black Tag”), pursuant to which Black Tag’s principal, Mr. Chris Kypriotis, who is the former Vice President of Nike Inc. and former President of Nike Brazil, has agreed to provide management, leadership and strategic advisory services to the Company as a director and as Chairman of the Company in consideration for: (i) a signing bonus in the amount of \$387,750, which amount may be settled by the issuance of 4,700,000 common shares of the Company at a deemed price of \$0.0825 per share (subject to release over a 36 month escrow period); and (ii) a monthly fee of \$7,000, plus any applicable taxes, which fees will be paid retroactively from January 1, 2022. The term of the agreement commenced on April 4, 2022 and will continue for a term to expire on the earlier of April 4, 2025, or the date that the Company enters into an executive employment agreement with Mr. Kypriotis as its CEO. On April 20, 2022, Mr. Kypriotis was appointed as a director and Chairman of the Company.

On April 20, 2022, Roc Smith resigned as a director of the Company, but will remain directly involved in the front-line activities, particularly in Europe, as the Company enters its next stage of development.

On April 20, 2022, the Company entered into a market making services agreement and a consulting agreement with Venture Liquidity Providers Inc. (“VLP”). In consideration for the services, the Company has agreed to pay VLP a monthly fee of \$5,000 and stock options. The number of stock options and deemed price are to be determined. The agreement commenced April 20, 2022 and will continue for a period of three months and will automatically renew for successive additional one-month terms.

On May 3, 2022, the Company announced that it intends to complete a non-brokered private placement offering (the “Offering”) of up to 10,000,000 units (each, a “Unit”) at a price of \$0.10 per Unit for gross proceeds of up to \$1,000,000. Each Unit is comprised of one common share (each, a “Common Share”) and one common share purchase warrant (each, a “Warrant”). Each Warrant will entitle the holder to acquire one additional Common Share at a price of \$0.20 per share, for a period of 12 months from the date the Units are issued. The Company plans to allocate the net proceeds of the Offering for the production of SWMBRDs for sale, the production of two (2) additional SWMBRD molds in different sizes, expenses related to listings on the OTCQB and Frankfurt Exchange and as general working capital. The Company may increase or decrease the size of the Offering in its sole discretion. The Offering will be non-brokered, but the Company may, as determined in its sole discretion, pay reasonable customary brokers’ and/or finders fees, as applicable, in connection with the completion of the Offering. All securities issued pursuant to the Offering will be subject to applicable resale restrictions, including a four month hold from the date of issuance.

On May 18, 2022, the Company announced that the Annual General and Special Meeting will be held on July 20, 2022.

On May 18, 2022, the Company announced that the trademark “SWMBRD” and associated design (logo) has been successfully registered by the United Kingdom Intellectual Property Office (TM No. UK00003659898). The trademark has been registered in all seven of the NICE Classifications sought by the Company.

On May 18, 2022, the Company announced the commencement of SWMBRD beach rental preparations at the prestigious Divani Apollon Palace and Thasallo, Athens Riviera, Greece (<https://divaniapollonhotel.com/>). The Company announced that SWMBRD Vice President and Co-Founder, Matthew Schroenn was currently located in Athens, and would be working closely with the

Vouliagmeni Ski Club personnel responsible for all Divani Apollon water activities, instruction, and equipment rentals, with the goal of optimizing the SWMBRD Experience and maximizing rental revenues. The broader strategic objective would be to establish a clear business metric by which hotels, resorts and rental outlets globally can clearly determine the value of offering the SWMBRD Experience to their guests. A video update by Matthew Schroenn, on location at the Divani Apollon was included in the announcement (<https://youtu.be/plGtnlkFYm4>).

On June 2, 2022, the Company commenced a warrant exercise incentive program (the “Incentive Program”) for the exercise of up to 18,489,500 outstanding warrants and 147,000 outstanding agent’s warrants of the Company (collectively, “Eligible Warrants”), being an aggregate of 18,636,500 Eligible Warrants, with exercise prices and expiry dates as follows:

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Grant Date</b>	<b>Expiry Date</b>
17,971,000 Warrants and 147,000 Agent’s Warrant	\$0.10 until July 1, 2022 \$0.15 until July 1, 2023	February 26, 2021	July 1, 2023
518,500 Warrants	\$0.10 until July 22, 2022 \$0.15 until July 22, 2023	March 16, 2021	July 22, 2023

Pursuant to the Incentive Program, each holder of Eligible Warrants that exercises Eligible Warrants during the Incentive Program period of June 2, 2022 to June 29, 2022 will receive one additional common share purchase warrant (each, a “Incentive Warrant”), with each Incentive Warrant entitling the holder to purchase one additional common share at a price of \$0.12 until June 29, 2027. Eligible Warrants that remain unexercised following the completion of the Early Exercise Period will continue to be exercisable for Shares on the original terms as they existed prior to the Program.

Subsequent to year end, 20,000 Eligible Warrants were exercised for gross proceeds of \$2,000.

On June 13, 2022, the Company entered into an investor relations agreement with Sutton Integrated Communications Ltd. (“Sutton”). Sutton has agreed to provide investor relations services to the Company in exchange for US\$8,000, of which US\$4,000 will be paid by the Company on commencement by the grant of 57,128 performance share units (each, a “PSU”) and the remaining US\$4,000 will be paid in cash on completion of the agreement. Each PSU granted will be subject to the terms of the Company’s Long Term Incentive Plan and represents the right to receive one common share in the capital of the Company. The PSUs issued under the agreement will vest once all performance criteria specified in the agreement are met as determined by the Board of Directors.

## **Selected Annual Information**

The following is a summary of the financial data of the Company for the last three completed fiscal year ends and are derived from the audited annual financial statements of the Company:

	February 28, 2022	For the years ended February 28, 2021	February 29, 2020
	\$	\$	\$
Total Revenues	Nil	Nil	Nil
Loss from continuing operations	1,092,245	169,902	44,600
Loss from continuing operations (per share, basic and diluted)	0.02	0.01	0.00
Net loss	1,092,245	175,795	44,600
Net loss (per share, basic and diluted)	0.02	0.01	0.00
Net comprehensive loss for the year	1,092,245	175,795	44,600
Total assets	617,736	1,309,790	101,053
Total long-term financial liabilities	Nil	Nil	Nil
Cash dividend declared per share	Nil	Nil	Nil

The Company has recorded losses in each of its three most recently completed fiscal years, and expects to continue to record losses until such time as the Company is able to move into the manufacturing process, and achieve broad enough market awareness to generate significant sales.

### **Business of the Company**

The principal business carried on and intended to be carried on by the Company is the manufacturing and sale of the Swimboard.

To the date of this report, the Company has raised gross proceeds of \$1,974,029 through the sale of common shares.

### **The Swimboard**

The Swimboard is a human-powered aquatic sports board. The Swimboard is not a just a board – It is an entirely new way for human beings to interact with, and within, every type of aquatic environment, and with each other.

In simplest terms, the physical action of Swimboarding can best be described as an organic synthesis of cycling and swimming. The board, by virtue of the leg motion used is also very similar to running, skating and snorkeling/ scuba. Of great importance, stand up paddling and surfing and bodyboarding are entirely different from these popular sports, and are not natural and organic motions. In short, the Swimboard has the vast advantage of being natural, organic, familiar, and easy to learn, coupled with the previously unknown empowerment the board delivers to the rider.

The Swimboard enables the rider, in a prone or lying-down position, to use their arms and legs in the propulsion of the present invention across the surface of a body of water using natural, intuitive motions similar to a fusion of conventional swimming strokes with the deep rotational leg movement of cycling.

While the Swimboard may also be used to ride waves, it differs from surf boards, body boards, knee boards and the like, in that it is optimized to be propelled by the rider alone, without the help of waves, paddles or sails. This is possible due to the relative narrowness of the Swimboard, particularly in the bow; a wide variety of possible rider positions, ranging from far forward to far back; the bow-to-stern curvature of the hull; the pronounced curve and terminal height of the bow relative to the surface of the water; the round, convex profile of the stern area of the board; the distinctly forward-sloping slip-resistant upper deck; the substantial height, thickness and buoyancy of the stern area; the distinctive v-shaped side-to-side profile of the deck along most of its length; and the relative depth, shape and buoyancy of the keel.

These features of the Swimboard allow the rider's arms to stroke through the water more closely alongside the body than is the case with traditional surf boards or body boards, while at the same time helping to restrain the rider from pulling themselves off the board. These features also allow for a wide variety of positions to be adopted by the rider, ranging from a position where the rider is very far forward, with their hips on the board and their chest towards the front of the board, to a position where they are far back with their hips mostly off the board. Furthermore, they allow the Swimboard to be tilted in a controllable manner forward and aft, as well as rotated easily from side to side about the stern. In other words, a wide degree of pitch, rotation and yaw is possible. Additionally, these features allow the legs to kick while still providing support for the pelvis, as well as a degree of support to the upper thighs if so desired.

A further advantage is that the Swimboard is very compact in size, making it maneuverable as well as being easier to transport and store than most other boards.

### **Intellectual Property**

The protection of its intellectual property is a front-line priority for the Company. The Company's intellectual property is comprised of:

1. Design patents covering the board itself, future proposed accessories, and technological concepts which the Company intends to explore further.
2. Trademarks covering the "SWMBRD" name, The SWMBRD Logo design and the name "Swimbird"

While SWMBRD does not divulge jurisdictions in which intellectual property applications are still pending, the Company is pleased to keep shareholders apprised of important jurisdictions in which applications have been successful.

To date, in the area of board and accessories design, the Company already has a total of 49 design patents granted in the United States, Canada and the Europe. These patents cover multiple variations of the SWMBRD, including different bow, keel, deck and pad configurations. The SWMBRD's unique performance capabilities are the result of very specific unique design elements. A board that does not include these key elements will not perform in the same way as a SWMBRD.

The afore mentioned registered designs also cover several experimental concepts in performance skegs and fins, and surface coverings which the Company intends to explore in the future.

In addition to the afore mentioned 49 design patents, the Company has also filed applications in several additional strategic jurisdictions which are pending.

In the area of trademarks and logos, three specific elements are of importance to the Company:

1. The name “SWMBRD”
2. The bird motif logo
3. The name “Swimbird”

When applying for trademarks, it is necessary for a company to articulate specific classes of goods and services (NICE classifications) that the trademark will be actively used in. SWMBRD has specified seven NICE Classes to be optimal for the Company. While it is understood that it is often not possible to secure all the classes requested, the Company will always attempt to secure as many of these seven classes as possible.

The seven NICE classes sought by the Company are:

1. **Class 9:** Diving masks; weight belts for scuba diving; goggles and sunglasses for sports; cameras for use in sporting activities.
2. **Class 18:** Bags namely all-purpose sport bags, bags specially adapted for sports equipment, beach bags, tote bags, backpacks, book bags, handbags; beach umbrellas; parasols.
3. **Class 20:** Storage racks and brackets for sport boards.
4. **Class 25:** Clothing, namely, sportswear, athletic clothing, swimwear, beach cover-ups, casual clothing, dress clothing, infant and children's clothing, underwear, loungewear, sleepwear, outdoor winter clothing, swim suits, board shorts, athletic shorts, pants, shirts, jackets, coats, skirts and dresses, socks, stockings and lingerie, scarves, neck ties, bow ties, head bands, bandanas, gloves and belts; footwear, namely, athletic footwear, water sport board boots, sandals and beach shoes, shoes, boots, slippers, outdoor winter footwear, ski and snowboard shoes and boots and parts thereof, infant and children's footwear; headwear, namely, hats, caps, toques, sun visors; sweatbands; wet suits; dry suits; wet suit and dry suit boots; gloves; vests and hoodies.
5. **Class 28:** Sporting goods, namely, self-powered water sports boards, boards used in the practice of water sports, surfboards, longboards, paddle boards, bodyboards, wake boards, kite boards, kick boards, knee boards, sail boards, skim boards, body surf hand planes, water skis, surf skis, snow skis, snow boards, snow sleds, ice sleds, skateboards, sport board fins, sport board pads, sport board covers and deck grips, floats, leashes, ropes, lines, tows, straps and handles for use with sport boards, paddles, board and ski bindings and foot plates, ski poles, swim fins, flying discs, sports balls; toys namely beach toys and water squirting toys.
6. **Class 35:** Organization, management and provision of aquatic sports events and competitions; organization, management and provision of music, fundraising and charity events; promoting public awareness of charitable and environmental issues and initiatives; online sales of sporting goods; retail and wholesale sales of sporting goods.
7. **Class 41:** Developing aquatic sports and games; developing and conducting fitness classes; film production and distribution; coaching in the field of sports.

With regards to the name SWMBRD, the associated logo, and the name “Swimbird”, the Company has been granted all nine NICE classes in both the European Union and the United Kingdom. Applications in additional strategic jurisdictions are pending.

The Company’s expanding intellectual property portfolio continues to be a key strategic component of the Company’s growth as not only an aquatic board manufacturer, but also as a sport, a lifestyle, and a brand.



## **Overall Performance**

### **Financings**

During the year ended February 28, 2022:

- i. On March 16, 2021, the Company closed a private placement of 518,500 units (each, a “Unit”) at a price of \$0.05 per Unit for aggregate proceeds of \$25,925. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price (as amended on October 27, 2021) of \$0.10 until July 22, 2022, and \$0.15 from July 23, 2022 until July 22, 2023.
- ii. On June 25, 2021, the Company closed a private placement of 2,427,152 units (each, a “Unit”) at a price of \$0.075 per Unit for aggregate proceeds of \$182,036. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price (as amended on October 27, 2021) of \$0.20 until December 25, 2023.
- iii. On September 15, 2021, 240,000 RSUs granted in March 2021 vested and on September 30, 2021 480,000 RSUs vested. On September 30, 2021, the RSU’s were exercised and exchanged for 720,000 common shares of the Company. The Company recognized share-based compensation expense related to the RSUs in the amount of \$36,000.
- iv. On January 24, 2022, the Company closed a private placement of 655,000 units (each, a “Unit”) at a price of \$0.10 per Unit for aggregate proceeds of \$65,500. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.20 for 12 months and \$0.30 for a further 12 months. The Company granted 25,900 finder’s warrants with the same terms as the share purchase warrants. The finders’ warrants were valued at \$932 using the Black-Scholes option pricing model.

During the year ended February 28, 2021:

- i. On November 27, 2020, 13,679,137 common shares were issued at \$0.0095 per share for gross proceeds of \$130,000.
- ii. On December 14, 2020, 15,200,000 common shares were issued at \$0.035 per share for gross proceeds of \$532,000.
- iii. On February 26, 2021, the Company closed a private placement of 17,971,000 units (each, a “Unit”) at a price of \$0.05 per Unit for aggregate proceeds of \$898,550. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price (as amended on October 27, 2021) of \$0.10 until July 1, 2022, and \$0.15 from July 2, 2022 until July 1, 2023. Of the total proceeds received, \$60,000 was received subsequent to February 28, 2021. The Company issued 147,000 finders’ warrants exercisable at a price (as amended on October 27, 2021) of \$0.10 until July 1, 2022, and \$0.15 from July 2, 2022 until July 1, 2023. The finders’ warrants were valued at \$2,060 using the Black-Scholes option pricing model.

For additional details regarding the Company’s recent financings, please refer to Note 8 of the Company’s audited financial statements for the year ended February 28, 2022.

### General and Administrative

Net loss for the year ended February 28, 2022, was \$1,092,245, compared to a net loss during the year ended February 28, 2021 of \$175,795, for a difference of \$916,450. The significant expenses over the year include:

- Administrative fees (2022: \$168,750, 2021: \$65,508);
- Accounting and audit fees (2022: \$23,000, 2021: \$nil);
- Advertising expenses (2022: \$213,296; 2021: \$35,669);
- Depreciation (2022: \$1,162, 2021: \$312)
- Filing and regulatory fees (2022: \$19,226, 2021: \$nil)
- Legal fees (2022: \$164,054, 2021: \$13,956);
- Office expenses (2022: \$2,873, 2021: \$4,756)
- Patent amortization (2022: \$27,374, 2021: \$25,135)
- Patent maintenance (2022: \$20,925, 2021: \$nil);
- Product development (2022: \$60,671, 2021: \$116);
- Salaries and consulting fees (2022: \$261,212; 2021: \$24,450);
- Share-based payments (2022: \$36,000, 2021: \$nil);
- Travel and meals (2022: \$93,702, 2021: \$nil); and
- Impairment of patents (2022: \$nil, 2021: \$5,893).

The significant increase in expenses is due to the increased activity of the Company during the year as they completed their listing statement, produced sample Swimboards, worked on completing the molds for production, and finalized their listing on the CSE.

### Summary of Quarterly Results

The following is a summary of the results from the eight previously completed financial quarters:

	<b>February 28, 2022</b>	<b>November 30, 2021</b>	<b>August 31, 2021</b>	<b>May 31, 2021</b>
Revenues	Nil	Nil	Nil	Nil
Net loss from continuing operations	249,763	294,793	301,653	246,036
Net loss and comprehensive loss	249,763	297,793	301,653	246,036
Basic and diluted net loss (per share)	0.00	0.00	0.01	0.00

	<b>February 28, 2021</b>	<b>November 30, 2020</b>	<b>August 31, 2020</b>	<b>May 31, 2020</b>
Revenues	Nil	Nil	Nil	Nil
Net loss from continuing operations	135,059	22,137	6,483	6,222
Net loss and comprehensive loss	140,952	22,137	6,483	6,222
Basic and diluted net loss (per share)	0.01	0.00	0.00	0.00

Over the course of the Company's previously completed eight quarters, the Company's net loss remained at a consistent level until the quarter ended February 28, 2021. Prior to that time, the Company had not raised any capital and expenses were kept to a minimum. During the quarter ended February 28, 2021, the Company raised capital and increased their business activities accordingly to complete their product development and move forward to a public listing on the CSE.

Net loss for the three months ended February 28, 2022, was \$249,763, compared to a net loss during the three months ended February 28, 2021 of \$140,953, for a difference of \$108,810. The significant changes in expenses include:

- Administrative fees (2022: \$37,500, 2021: \$50,925);
- Accounting and audit fees (2022: \$23,000, 2021: \$nil);
- Advertising expenses (2022: \$16,671; 2021: \$35,153);
- Depreciation (2022: \$290, 2021: \$312)
- Filing and regulatory fees (2022: \$11,011, 2021: \$nil)
- Legal fees (2022: \$45,196, 2021: \$13,495);
- Office expenses (2022: \$1,450, 2021: \$4,233)
- Patent amortization (2022: \$9,033, 2021: \$6,445)
- Patent maintenance (2022: \$20,925, 2021: \$nil);
- Product development (2022: \$124, 2021: \$47);
- Salaries and consulting fees (2022: \$69,426; 2021: \$24,450);
- Travel and meals (2022: \$15,137, 2021: \$nil); and
- Impairment of patents (2022: \$nil, 2021: \$5,893).

### **Liquidity and Capital Resources**

As of the date of this report, the Company has raised gross proceeds of \$1,974,029 to further the Company's advancement of the Swimboard and for general working capital.

The Company will continue to require funds to further the advancement of its Swimboard. As a result, the Company may have to continue to rely on equity and debt financing. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company.

The Company's financial success will be dependent on the economic viability of its Swimboard and the extent to which it can market and sell the Swimboards. Such development may take time to complete and the amount of resulting income, if any, is difficult to determine.

The Company's revenues, if any, are expected to be in large part derived from the sale of the Swimboard. The price of the Swimboard will be affected by numerous factors beyond the Company's control such as international, economic and political trends, expectations of inflation, currency exchange fluctuations and interest rates.

As at February 28, 2022, the Company has total assets of \$617,736 (2021: \$1,309,790). The primary assets of the Company are cash of \$207,038 (2021: \$920,318), sales tax and other receivables of \$7,793 (2021: \$11,950), prepaid expenses of \$243,765 (2021: \$306,636), patents of \$153,280 (2021: \$70,159), and capital equipment of \$5,860 (2021: \$727). The Company has no long-term liabilities and has working capital of \$364,550 (2021: \$1,195,237) as at February 28, 2022.

*Cash Provided Used In Operating Activities:* Cash used in operating activities during the year ended February 28, 2022 was \$910,302, compared with \$120,848 provided by operating activities during the year ended February 28, 2021. Cash was mostly spent on administration fees, advertising expenses, legal fees, product development, salaries and consulting fees, and prepaid expenses.

*Cash From Financing Activities:* Total cash from financing activities during the year ended February 28, 2022 was \$267,611 provided from the issuance of shares (2021: \$1,055,550), \$60,000 for share subscriptions received (2021: \$5,850), and \$13,799 (2021: \$16,998) used for share issuance costs.

*Cash Used in Investing Activities:* Total cash used in investing activities during the year ended February 28, 2022 was \$110,495 (2021: \$3,241) for patent expenses and \$6,295 (2021: \$nil) for equipment purchases.

### **Transactions with Related Parties**

During the years ended February 28, 2022 and 2021, the Company incurred the following transactions with officers or directors of the Company or companies with common directors:

	<b>Year ended February 28,</b>	
	<b>2022</b>	<b>2021</b>
<b>Key management compensation*</b>	<b>\$</b>	<b>\$</b>
Salaries	232,000	15,000
Rent expenses	-	3,522
<b>Total</b>	<b>232,000</b>	<b>18,522</b>

	<b>February 28,</b>	<b>February 28,</b>
	<b>2022</b>	<b>2021</b>
<b>Amounts due to (from) related parties</b>	<b>\$</b>	<b>\$</b>
Justin Schroenn	-	3,000
Matthew Schroenn	-	3,000
Gareth Schroenn	-	3,243
<b>Total</b>	<b>-</b>	<b>9,243</b>

\* Key management includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including the Company's executive officers and certain members of its Board of Directors.

During the year ended February 28, 2022, 12,000,000 performance warrants were granted to directors of the Company.

On March 15, 2021, 240,000 RSUs were granted to a director of the Company at a deemed price of \$0.05 per share. The RSUs vested on September 15, 2021 and on September 30, 2021 these RSUs were exercised and exchanged for 240,000 common shares of the Company. The Company recognized share-based compensation expense related to these RSUs in the amount of \$12,000

The terms and conditions of these transactions with key management and their related parties were no more favourable than those available, or which might reasonably be expected to be available, or similar transactions to non-key management related entities on an arm's length basis. These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The amounts due to related parties are unsecured, non-interest bearing, and have no specific terms of repayment.

### **Commitments**

On November 1, 2020, the Company entered into a Management & Administration Agreement ("Agreement") with Zimtu Capital Corp. ("Zimtu"). Under the terms of the agreement, Zimtu will provide the Company with administrative and managerial services, including corporate maintenance, continuous disclosure services, rent, and office space, over a period of 13 months, at a price of \$14,583 per month. On December 1, 2021, the Agreement was extended a further 12 months at a rate of \$12,500 per month.

On December 1, 2020, the Company signed an agreement with Zimtu Capital Corp. whereas Zimtu will provide services under the ZimtuADVANTAGE program. The Company paid \$140,000 up front for the initial 12-month and will expense it evenly over the period.

On March 1, 2022, the Company entered into a twelve-month investor relations agreement with Stockhouse Publishing Inc. ("Stockhouse"). Stockhouse has agreed to provide investor relations services to the Company in exchange for an aggregate amount of \$157,500 (including GST). \$118,125 (including GST) is payable and will be applied to the first and last two months of the contract. The remainder of the fee is payable monthly.

On March 1, 2022, the Company entered into an investor relations agreement with TNW Media Agency ("TNWMedia"). TNWMedia has agreed to provide investor relations services to the Company in exchange for a monthly payment of \$3,500. The terms of service commenced on March 1, 2022 and will continue until terminated on 30 days notice by the Company.

On March 1, 2022, the Company entered into a marketing agreement with Trevor O'Neill ("O'Neill"). O'Neill has agreed to provide marketing services to the Company in exchange for a monthly payment of \$4,000. The terms of service commenced on March 1, 2022 and will continue on an "as needed" basis, commencing with a three-month probationary period.

On March 5, 2022, the Company entered into an investor relations agreement with Proactive Investors North America Inc. ("Proactive"). Proactive has agreed to provide investor relations services to the Company in exchange for an aggregate amount of \$25,000 (including GST) due upfront. The initial term of service is until March 31, 2023 and automatically renews thereafter for an additional twelve-month term.

On April 20, 2022, the Company entered into a market making services agreement and a consulting agreement with Venture Liquidity Providers Inc. ("VLP"). In consideration for the services, the Company has agreed to pay VLP a monthly fee of \$5,000 and stock options. The number of stock options and deemed price are to be determined. The agreement commenced April 20, 2022 and will continue for a period of three months and will automatically renew for successive additional one-month terms.

On April 4, 2022, the Company entered into a consulting agreement with Black Tag Inc. (the “Consultant”). The principle of the Consultant, Chris Kypriotis, has agreed to serve as a director and chairman of the Board. In consideration for the services, the Company has agreed to pay the Consultant a \$387,750 bonus with the issuance of 4,700,000 common shares at a deemed price of \$0.0825 per share and a monthly fee of \$7,000. This monthly fee will be paid retroactively from January 1, 2022. Execution of this agreement triggered the vesting of the performance warrants.

On June 13, 2022, the Company entered into an investor relations agreement with Sutton Integrated Communications Ltd. (“Sutton”). Sutton has agreed to provide investor relations services to the Company in exchange for US\$8,000, of which US\$4,000 will be paid by the Company on commencement by the grant of 57,128 performance share units (each, a “PSU”) and the remaining US\$4,000 will be paid in cash on completion of the agreement. Each PSU granted will be subject to the terms of the Company’s Long Term Incentive Plan and represents the right to receive one common share in the capital of the Company. The PSUs issued under the agreement will vest once all performance criteria specified in the agreement are met as determined by the Board of Directors.

### **Other MD&A Requirements**

#### **Additional Disclosure for Venture Issuers without Significant Revenue**

As the Company has not had significant revenue from operations in either of its last two financial years, the following is a breakdown of the material costs incurred:

	<b>Year Ended February 28, 2021</b>	<b>Year ended February 29, 2021</b>
Patent expenses	\$110,495	\$3,241
General and Administration Expenses	\$1,092,245	\$169,902

#### **Disclosure of Outstanding Share Capital**

The following is a breakdown of the share capital of the Company, on an annual basis and the date of this report:

	<b>June 20, 2022</b>	<b>February 28, 2022</b>	<b>February 28, 2021</b>
Common Shares	70,210,872	65,490,872	61,170,220
Warrants	21,551,652	21,571,652	17,971,000
Broker warrants	172,900	172,900	147,000
Performance warrants	12,000,000	-	-
Fully Diluted Shares	103,935,424	87,235,424	79,288,220

For additional details of outstanding share capital, refer to Note 8 of the audited financial statements for the year ended February 28, 2022.

### **RISK FACTORS**

*An investment in the Common Shares, in the event that the Common Shares are offered for sale at some time in the future, should be considered highly speculative due to the nature of the Company’s business and the present stage of development. An investment in the Common Shares should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire*

*investment. Potential investors should consult with their professional advisors to assess an investment in the Company. In evaluating the Company and its business, investors should carefully consider, in addition to other information contained in this Prospectus, the risk factors below. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with its operations and other risks and uncertainties affecting the Company's business could potentially arise or become material in the future.*

### **Limited Operating History and No Assurance of Profitability**

The Company is a start-up business with a limited operating history and no established brand recognition. The Company will be subject to all the business risks and uncertainties associated with any new business enterprise, including the risks that it will not establish a market for its services, achieve its growth objectives or become profitable. The Company anticipates that it may take several years to achieve positive cash flow from operations. There can be no assurance that there will be demand for the Company's services or that the Company will become profitable.

### **Lack of Operating Cash Flow**

The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue its business. It may be several years before the Company may generate any revenues from operations, if at all. There can be no assurance that the Company will realize revenue or achieve profitability.

### **Future Financing Requirements**

The Company is in the development phase and has only generated minimal revenue. It will likely operate at a loss until its business becomes established and may require additional financing to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to it. If additional financing is raised by issuing Common Shares from treasury, control of the Company may change, and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its business plan or cease operating.

### **Need for Funds**

In the short term, the continued operation of the Company will be dependent upon its ability to procure additional financing. The Company must obtain such financing through equity financing and there can be no assurance that the Company can raise the required capital it needs to build and expand the Company's business. Without this additional financing, the Company may be unable to advance the Company's business model, and the Company may fail. There can be no certainty that the Company can obtain these funds, in which case any investment in the Company may be lost. The raising of equity funding will also result in dilution of the equity position held by the Company's shareholders.

## **Uncertainty of Use of Proceeds**

Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See *"Use of Available Funds"*.

## **Operational Risks**

The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; changes in the regulatory environment; impact of non-compliance with laws and regulations; labor disputes; and natural phenomena such as inclement weather conditions. There is no assurance that the foregoing risks and hazards will not result in personal injury or death, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

## **Manufacturing Risks**

In the initial stages of mold manufacturing, which the Company expects to be complete by November 2021, and Swimboard production, SWMBRD will be dependant on one OEM manufacturer, and its suppliers. Therefore, in these initial stages, the Company's strategic plan will be vulnerable to potential disruptions to this manufacturer. Such disruptions to the OEM manufacturer include fire or flood, bankruptcy, labour disputes, regulatory violations, and lock-down due to Covid-19. The Company can mitigate such risk by securing additional OEM manufacturers for the Swimboard; however, the diversification of production will be dependant upon available capital. Until such capital is raised from investors, or generated by Swimboard sales, the Company will be reliant on one OEM manufacturer.

## **Legal and Regulatory Risks**

Aquatic sports boards are not heavily regulated In Canada, the USA, or the European Union. SWMBRD has consulted with the Canadian Coast Guard, as well as local authorities in Vancouver, British Columbia and there is no requirement for SWMBRD to certify the Swimboard at this time. Individual jurisdictions within the Company's target market may ultimately require that the board be certified in some way.

## **Competition**

The aquatic sports industry is highly competitive and although the Swimboard is a novel creation, the Company competes with a substantial number of companies that have greater financial and marketing resources. As such, the Company is exposed to competition which could lead to loss of contracts or reduced margins and could have an adverse effect on the Company's business.

The Company's competitors may offer better value to the Company's customers or substantially increase the resources devoted to the development and marketing of products and services that compete with those of the Company. There can be no assurance that the Company will be able to compete successfully against current or future competitors or that competitive pressures faced by the Company in the markets in which it operates will not have a material adverse effect on the Company's business. If the Company's competitors are successful in offering better pricing, service or products than the Company, this could



render the Company's products less desirable to merchant customers, resulting in the loss of merchant customers or a reduction in the price it could earn for its offerings.

### **Trends**

The Company's success depends on the continuation of stock trading and the ability to generate revenue from retail and institutional sales. Changes in media trends which affect consumer adoption and marketing habits may significantly affect the Company's ability to generate revenue. If potential consumers decide that the Company's products are experimental or unproven, or if adverse legal developments arise relating to the Swimboard's industry, including legislative and regulatory developments and developments in litigation, or if trends for aquatic sports activities change, any potential revenues of the Company could be adversely affected.

### **Adverse General Economic Conditions**

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries were impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, and foreign exchange markets, a lack of market liquidity, natural disasters, public health crisis (such as the recent global outbreak of COVID-19) and other events outside of the Company's control. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, costs, lack of available credit, the state of the financial markets, and interest rates and tax rates, may adversely affect the Company's operations. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity, currency exchange rates would impact costs and the devaluation and volatility of global stock markets would impact the valuation of its equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

In recent years, the securities markets in Canada, as well as in other countries around the world, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in developing assets, adding additional resources, establishing feasibility of deposits or creating revenues, cash flows or earnings. The value of securities will be affected by market volatility. An active public market for the Common Shares might not develop or be sustained. If an active public market for the Common Shares does not develop or continue, the liquidity of a shareholder's investment may be limited and the price of the Common Shares may decline.

### **Dependence on Personnel**

The Company's future success depends substantially on the continued services of its executive officers and its key development personnel, including the Schroenn brothers. If one or more of its executive officers or key development personnel were unable to or unwilling to continue in their present positions, the Company might not be able to replace them easily or at all. In addition, if any of its executive officers or key employees joins a competitor or forms a competing company, the Company may lose know-how, key professionals and staff members.

## **Management of Growth**

The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

## **No Established Market**

The Company has applied to list its Common Shares on the CSE. Listing will be subject to the Company fulfilling all the listing requirements of the CSE. There is currently no market through which the Company's securities may be sold.

## **Volatility of Common Share price**

It is anticipated that the Common Shares will be listed for trading on the CSE in the near future. As such, factors such as announcements of quarterly variations in operating results, revenues, costs and market conditions in similar industries may have a significant impact on the market price of the Common Shares. Global stock markets, including the CSE, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. There can be no assurance that an active or liquid market will develop or be sustained for the Common Shares.

## **Dilution**

Common Shares, including warrants and options and other securities to purchase, to convert into or to exchange into Common Shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board of Directors may determine. In addition, the Company may issue additional Common Shares from time to time pursuant to Common Share purchase warrants and the options to purchase Common Shares issued from time to time by the Board. The issuance of these Common Shares could result in dilution to holders of Common Shares.

## **Dividends**

The Company has not paid dividends to shareholders in the past and does not anticipate paying dividends in the foreseeable future. The Company expects to retain its earnings to finance growth.

## **Conflicts of Interest**

Because directors and officers of the Company are or may become directors or officers of other reporting companies or have significant shareholdings in other companies, the directors and officers of the Company may have a conflict of interest in conducting their duties. There can be no assurance such conflicts of interests will be resolved to the benefit of the Company

## **Intellectual Property**

The Company's ability to protect its intellectual property affects the success of its business. SWMBRD relies on patent and trademark laws. The steps that the Company has taken to protect its proprietary rights may not be adequate to preclude misappropriation of SWMBRD's proprietary information or infringement of the Company's intellectual property rights, and the Company's ability to police such misappropriation or infringement is uncertain. The intellectual property rights granted to SWMBRD, if

any, may not provide it with proprietary protection or competitive advantages, and, as with any product, competitors may be able to develop similar or superior technologies to SWMBRD's now, or in the future.

Third parties could claim that SWMBRD's products infringe their proprietary rights. Any claim of infringement by a third party, even one without merit, could cause the Company to incur substantial costs defending against the claim, and could distract management from the Company's business. Furthermore, a party making such a claim, if successful, could secure a judgment that requires SWMBRD to pay substantial damages. A judgment could also include an injunction or other court order that could prevent SWMBRD from offering its products.

### **The Impact of the Covid-19 Pandemic**

The Covid-19 pandemic and associated lockdowns has impacted resorts and hotels in SWMBRD's target market throughout the summer of 2020. It is important to understand, however, that SWMBRD has great flexibility in how it responds to the duration of the current situation.

While tourism in resort areas has been impacted, local populations have continued to use beaches and lakes in great numbers, albeit under greater regulation. These often-large local populations do not yet have the Swimboard – an ideal way to enjoy the beach or lake away from the crowd. Organized beach rentals remain in operation and indications are that board-sports participation and sales have actually improved under Covid, as people seek ways to exercise and recreate outdoors safely.

This phenomenon is clearly evident in industries such as cycling which, as we have discussed, bear strong similarities of motion, convenience and experience to Swimboarding. Numerous articles and reports have illustrated a dramatic increase in demand for bicycles as a consequence of the Covid-19 situation<sup>1 2</sup>. In addition to bicycles, sales of kayaks, camping equipment, golf equipment, and other outdoor recreational equipment increased significantly as a result of the Covid-19 pandemic<sup>3</sup>.

The Covid-19 situation will end. SWMBRD's strategy does not incorporate revenues from board sales for at least 2 years following the production of the first mold. Instead SWMBRD's priority in this period is to build awareness and demand, while increasing production capacity and forging strategic partnerships.

### **Forward Looking Statements**

This Management Discussion & Analysis may contain forward-looking information and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements.

*Readers can identify many of these statements by looking for words such as "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof.*

Forward-looking information is based on the opinions and estimates of management and its consultants at the date the information is given. It is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. The information is based on reasonable assumptions which include but are not limited to

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<sup>1</sup> CBC News, "Bike sales spike as Vancouverites look for fitness and travel alternatives during COVID-19," 2020. [Online]. Available: <https://www.cbc.ca/news/canada/british-columbia/bike-sales-spike-vancouver-covid-travel-1.5572344>.

<sup>2</sup> Forbes "677% Year-On-Year Sales Uplift Of £500+ Bicycles Due To Lockdown, Reports U.K. Bike Shop Sigma Sports," 2020. [Online]. Available: <https://www.forbes.com/sites/carltonreid/2020/05/19/677-year-on-year-sales-uplift-of-500-bicycles-due-to-lockdown-reports-uk-bike-shop-sigma-sports/?sh=263a1dd6a207>.

<sup>3</sup> NPR, "Amid A Deep Recession, Outdoor Equipment Is FI

those regarding actual costs for mining and processing and their impact on the cut-off grade established, actual capital costs, forecasts of mine production rates, the timing and content of upcoming work programs, geological interpretations, potential process methods and mineral recoveries, the availability of markets for the products produced, market pricing for the products produced, etc.

Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for metals, the conclusions of detailed feasibility and technical analyses, lower than expected grades and quantities of resources, mining rates and recovery rates and the lack of availability of necessary capital, which may not be available to the Company on terms acceptable to it or at all.

Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. There can be no assurance that the plan, intentions or expectations upon which these forward-looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and assumptions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Readers are cautioned not to put undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

#### **Additional Information**

Additional information related to the Company can be found on the Company's website at [www.swmbrd.com](http://www.swmbrd.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **Approval**

The Board of Directors of Swmbrd Sports Inc. has approved the disclosure contained in this MD&A.