LABRADOR TECHNOLOGIES INC.

NINE MONTHS ENDED JULY 31, 2017

MANAGEMENT'S DISCUSSION & ANALYSIS

The following Management Discussion and Analysis ("MD&A") is prepared in accordance with National Instrument 51-102F1, and should be read in conjunction with the unaudited financial statements of Labrador Technologies Inc. ("LTI" or the "Company") for the nine months ended July 31, 2017 and 2016. Additional information with respect to the Company can be found on the Company's website at www.labradortechnologies.com or on SEDAR at www.sedar.com. The functional reporting and measurement currency is the Canadian dollar.

International Financial Reporting Standards

The Company's unaudited financial statements for the nine months ending July 31, 2017 have been prepared in accordance with IFRS as published by the International Accounting Standards Board. The Company also presented comparative information for nine months ending July 31, 2016, on an IFRS basis.

Non-IFRS Measures

To supplement our financial statements presented in accordance with IFRS, we use non-IFRS measures such as working capital. This measure is provided to enhance readers' overall understanding of our current use of cash resources and liquidity, and is included to provide investors and management with an alternative measure for assessing our financial position in a manner that is focused on the Company's current liquidity and capital position. This measure is based on the Statement of financial position. Working capital is determined using the period end current assets less current liabilities. These measures are not in accordance with and do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures used by other entities.

Forward–looking Information

Certain information included in this MD&A is forward-looking. Forward-looking information includes statements that are not statements of historical fact and which address activities, events or developments that the Company expects or anticipates will or may occur in the future. This includes such things as the development plans and status of the Company's software development projects, the Company's intentions, results of operations, levels of activity, future capital and other expenditures, including the amount, nature and sources of funding thereof, business prospects and opportunities, research and development timetable, and future growth and performance. When used in this MD&A, statements to the effect that the Company or its management 'believes', ' expects', 'plans', 'may', 'will', 'projects', 'anticipates', 'predicts', 'intends' or similar statements, including 'potential', 'opportunity', or variations thereof are not statements of historical fact and should be construed as forward-looking information. These statements reflect management's current beliefs with respect to future events and are based on information currently available to the management of the Company. The Company believes that the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

With respect to the forward-looking information contained in this MD&A, we have made assumptions regarding the following:

- Future software license sales
- The continued ability of the Company to raise operating capital
- Ability to continue current development and new product development
- Ability to retain and recruit qualified staff

Forward-looking information is not a guarantee of future performance and involves a number of risks and uncertainties, only some of which are describe herein. Many factors could cause the Company's actual results, performance or achievements, or future events or developments, to differ materially from those expressed or implied by the forward-looking information including, without limitation, the following factors:

- Economic conditions in the oil and gas industry
- Reliance on key partner
- Increased competition
- Reliance on employees with specialized skills and knowledge
- Protection of proprietary rights

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this MD&A. These factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of the MD&A.

This MD&A is dated as of September 14, 2017.

Outlook

During the nine months ended July 31, 2017, the Company has been dependent on loans from Officers and Directors to meet its month to month financial obligations and cover its substantial Research & Development (R&D) spend for the wellTriever™ product, in order that the Company can continue with its meticulous Product Positioning (below) to exploit this R&D.

Subsequent Events: Shares for Debt

To dramatically clean up its Balance Sheet, the Company has entered into shares for debt agreements with seven creditors of the Company pursuant to which it will issue 33,339,647 common shares, at a price of $0.05 cents per share, in satisfaction of $1,666,982.38 of indebtedness currently owed to the creditors (the "Debt Settlement"). The creditors include H. Ronald Sterne, the President, Chief Executive Officer and a Director of the Company, as well as George A. Wilson and Jeffrey Howe who are each Directors of the Company. Directors of Labrador have approved the debt conversion. On September 12, 2017, the TSX-V approved and press released the debt conversion.

Concerted R&D Efforts to Expand wellTriever's Scope via Strategic Partnerships

It has been well documented that a major thrust of the Company's focus has been on providing wellTriever's map-based functionality to the financial sector of the Oil & Gas Industry. Accordingly, the last few months of development has been centred on expanding wellTriever's search filters to include proprietary **Custom Metric Indicators (CMIs)** so that any company can store proprietary filters and showcase on the map specific wells, or clusters of wells, that are financially problematic or financially profitable depending on a company's internal financial criteria. The wellTriever Heat Map visualizes these performance indicators impactfully and the Company is working with industry professionals/potential partners to market this compelling new technology.

The Evolved Need for mapTriever™ Source Code to Serve a Map-Based Industry

The Company's Financials clearly demonstrate that it has invested millions of dollars in map-based software for a map-centric industry. It is therefore a logical step-out for the Company to offer non-exclusive source code licenses to use our map-based SaaS WebService across a broad spectrum of industries. In so doing, the Company is providing the Oil & Gas Related Sector, as well as any sector requiring a fast, economical map, with ultimate flexibility and independence. The logic is simple. Because it has taken substantial amounts of capital and time to develop a wellTriever map-based environment from "scratch", Management has determined that any fast-changing industry could benefit considerably from a "head-start" derived from its own relatively massive investment in… secure, extremely user friendly, map-based software. The Company is currently targeting suitable potential clients and partners.

Continued Tight Management of Expenses and Use of Cash

During the three months ended July 31, 2017, the Company continued to carefully manage its expenses and use of cash. This approach, along with loans received from Management, enabled the Company to make improvements to its wellTriever product for expansion into other industries. The funding has been loaned by Management, and to continue to further minimize the use of cash, Officers of the Company are still not drawing salaries or Director's Fees.

Results of Operations

At July 31, 2017, the Company has cash balances of $12,606, and a working capital deficiency of $3,525,270.

Future operations will be dependent upon the successful ongoing development and marketing of the Company's data retrieval technology and the corresponding generation of future cash flows and/or raising of additional capital.

Revenue

The Company generated revenue of $12,101 during the nine months ended July 31, 2017 from the sale of software license fees (2016 - $16,000). This revenue is recognized ratably over the contract period, which ranges from four months to twelve months. The Company is continuing to dedicate its resources to further sales and marketing strategies to increase license fees revenues to sustainable levels.

Presently, the Company has no significant ongoing sources of revenue. The Company, however, has continued its research and development activities to streamline and repackage its eTriever software by "cherry-picking" the best apps, reports and graphs of eTriever and making them available to all consumers on a 'pay-as-you-go' basis with an initial focus on the Oil & Gas industry's well and drilling data, under the banner of wellTriever™.

Financial Summary

	Nine months ended			
		July 31, 2017		July 31, 2016
Revenue				
License fees	**$**	**12,101**	$	16,000
		12,101		16,000
Expenses				
General and adminstration		**219,183**		186,951
Development and related costs		**51,540**		211,036
Marketing & Sales		**29,350**		42,950
		300,073		440,937
Operating Loss		**(287,972)**		(424,937)
Financing costs		**147,744**		126,261
Net loss & comprehansive loss	**$**	**(435,716)**	$	(551,198)
Net loss per share	**$**	**(0.00)**	$	(0.00)
Outstanding shares		**112,926,137**		112,926,137

Expenses

General and administrative

This category of expenses is comprised primarily of office rent, office equipment rentals, administrative salaries, corporate expenses related to shareholder reporting, and professional fees. General and administrative expenses for the nine month period ended July 31, 2017 were $219,183 compared to $186,951 for the nine month period ended July 31, 2016, an increase of 17% ($32,232). The increase was due to legal fees which were written down in the prior year and were reinstated in 2017.

Development and related costs

Computer and related costs include programmers' salaries, programmers' consutling fees, software costs, and telecommunication costs. This category of expenses totaled $51,540 for the nine month period ended

July 31, 2017 compared to $211,036 for the nine month period ended July 31, 2016, an decrease of 76% ($159,496). The decrease was due to a reduction in programmer/consultant and related costs.

Marketing & Sales Expenses

Marketing & sales expenses include expenses for sales and support salaries/consulting fees, and promotion/advertising. Expenses for the month period ended July 31, 2017 were $29,350 compared to $42,950 for the nine month period ended July 31, 2017, a decrease of 32% ($13,600). The decrease was due to less activity for the nine months ended July 31, 2017.

Financing Costs

Financing costs includes mainly interest paid on loans advanced to the Company by its officers, directors, former directors, and shareholders. For the nine months ended July 31, 2017, interest expense was $147,744 compared to $126,261 for 2016, an increase of 17% ($21,483). The increase is primarily due to additional loan financing received by the Company.

Depreciation

Amortization expense for the nine month period ended July 31, 2017 was $1,644 compared to $2,301 for the nine month period ended July 31, 2016. There were no additions to property and equipment in the period.

Working capital

At July 31, 2017, the Company has cash balances of $12,606, and a working capital deficiency of $3,527,370. The Company received loan advances from Officers & Directors of $194,645 for the nine months ended July 31, 2017 (2016 – $346,713). The Company has not had any sources of ongoing revenue for many years as it has been developing its eTriever and wellTriever web applications. The Company's ability to maintain its operations in the future is still dependent on its ability to generate sufficient revenue, and/or raise sufficient capital to continue to fund its strategic business plan.

Liquidity and Capital Resources

During the three month period ended July 31, 2017, the Company's cash position increased $870 (decrease in 2016 - $3,014) as a result of loan advances from Officers & Directors of $61,500 (2016 – $113,000) offset by cash used in operating activities of $60,630 (2016 – $116,014).

Going Concern

In recent years, the Company has raised capital in order to fund the development of its web-based oil and gas data retrieval software products, eTriever and wellTriever.

There is a material uncertainty that raises a significant doubt about the appropriateness of using the going concern assumption because the Company's ability to continue as a going concern is dependent upon its ability to generate sufficient cash to settle its existing liabilities and fund its strategic business plan. To date, the Company has had minimal revenue and is now, in the short term, dependent on the raising of sufficient capital to realize its assets and discharge its obligations, including the working capital deficiency of $3.5 million as at July 31, 2017 (2016 - $3.0 million). In addition, the Company will continue to license its eTriever software and to generate revenue from the Company's new product, wellTriever. Revenue realized through these additional sources will assist the Company in realizing its assets and discharging its obligations.

The Company received loan proceeds of $194,645 in 2017 (2016 - $346,713) from officers and directors.

At July 31, 2017, the Company has cash balances of $12,606, and a working capital deficiency of $3,527,370. During the nine months ended July 31, 2017, the Company incurred a net loss of $435,716 (2016 - $551,198) and used cash in operations totaling $190,307 (2016 – used $349,979).

In the circumstances, management believes the going concern assumption is still appropriate for these financial statements but is contingent upon the successful raising of sufficient capital in the future, as required. There can be no assurance that the steps management is taking will be successful. This assumption will be reviewed on an ongoing basis by management and the Board of Directors. If the going concern assumption were not appropriate for these financial statements, adjustments may be necessary to the carrying value of assets and liabilities, reported revenues and expenses and the balance sheet classifications used.

Capital Management

The Company's objectives in managing capital are to ensure sufficient liquidity to pursue its strategy of organic growth to maximize the return to its shareholders. The capital structure of the Company consists of cash and shareholders' deficit. The Company does not have any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital.

The Company makes adjustments to its capital structure in light of general economic conditions and the Company's working capital requirements. In order to maintain or adjust its capital structure, the Company, upon approval from its Board of Directors, may pay dividends, buy back shares or undertake other activities as deemed appropriate under the specific circumstances. The Board of Directors reviews and approves any material transactions not in the ordinary course of business.

Summary of Quarterly Results

	31-Jul-17	30-Apr-17	31-Jan-17	31-Oct-16	31-Jul-16	30-Apr-16	31-Jan-16	31-Oct-15	31-Jul-15
Revenue									
License fees	**$ 4,227**	$ 3,854	$ 4,020	$ 7,659	$ 5,167	$ 5,166	$ 5,667	$ 3,925	$ 6,492
	4,227	3,854		7,659	5,167	5,166	5,667	3,925	6,492
Expenses						-	-	-	-
General and administration	**100,089**	63,264	55,830	(274)	52,176	71,582	63,193	65,647	63,996
Development and related costs	**13,988**	24,304	13,248	24,131	63,608	71,925	75,503	78,903	43,714
Marketing & Sales	**(6,000)**	19,000	16,350	19,900	13,700	12,000	17,250	14,500	32,500
	108,077	106,568	85,428	43,757	129,484	155,507	155,946	159,050	140,210
Operating loss	**(103,850)**	(102,714)	(81,408)	(36,098)	(124,317)	(150,341)	(150,279)	(155,125)	(133,718)
Financing costs	**52,465**	47,865	47,414	298,137	(43,050)	(38,069)	(45,142)	(20,962)	(27,097)
Other income	**-**	-	-	5,190	-	-	-	1,564	-
Net loss & comprehensive loss	**(156,315)**	(150,579)	(128,822)	267,229	(167,367)	(188,410)	(195,421)	(174,523)	(160,815)
Net loss per share, basic and dilutec	**$ 0.00**	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Outstanding shares	**112,926,137**	112,926,137	112,926,137	112,926,137	112,926,137	112,926,137	112,926,137	112,926,137	112,926,137
Total assets	**$ 26,941**	$ 23,007	$ 26,243	$ 26,243	$ 25,755	$ 28,095	$ 25,487	$ 42,454	$ 28,095

Financial Instruments and Financial Risk Management

i) Classification of financial instruments:

	Classification	Measurement
Cash and cash equivalents	Held for trading	Fair value
Trade and other receivables	Loans and receivables	Amortized cost
Trade payables and accrued liabilities	Other financial liabilities	Amortized cost
Loan payables	Other financial liabilities	Amortized cost

ii) Determination of Fair Values

The following table analyzes recurring assets and liabilities measured at fair value in the statement of financial position. The different levels are defined as follows:

- Level 1 - determined by reference to quoted process in active markets for identical financial assets and liabilities;
- Level 2 – inputs to the valuations, other than quoted prices, are observable for the financial assets and liabilities, whether directly or indirectly; and
- Level 3 – inputs to the valuations are based on inputs that are not observable for the financial assets and liabilities.

	July 31, 2017		
Recurring Measurements	**Level 1**	**Level 2**	**Level 3**
Financial Assets	$ 12,606	$ -	$ -
Cash			
Financial Liabilities			
Accounts payable and accrued liabilities	$ 1,816,577	$ -	$ -
Loans payable	$ 1,725,084	$ -	$ -

The Company is exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives for growth. The main objectives of the Company's risk management process are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal financial risks to which the Company is exposed are described below.

a) Interest rate risk:

Interest rate risk is the risk that fair value of a financial instrument or its cash flows will fluctuate as a result of changes in interest rates.

The Company maintains its short-term deposits in instruments that are redeemable at any time without penalty, thereby reducing its exposure to interest rate fluctuations.

The loans payable bear interest at a fixed rate of 12% and are due upon demand, thus the cash flows are not subject to interest rate risk.

b) Liquidity risk:

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due or can do so only at excessive cost. Given that the Company does not have significant internally generated cash flow, there are inherent liquidity risks, including the possibility that additional financing may not be available to the Company on a timely basis. Refer to note 3 to the Financial Statements for details regarding the going concern assumption.

At July 31, 2017, the Company has cash balances of $12,606, and a working capital deficiency of $3,527,370. The Company has financial liabilities of $3,547,411 classified as current liabilities.

Loans Payable and Related Party Transactions

As at July 31, 2017, the Company had 1,725,084 (2016 - $1,449,439) of loans payable to certain officers, directors, former directors, and shareholders. These loans bear interest at 12% per year, are unsecured and due on demand. Total interest accrued and payable as at July 31, 2017 was $532,588 (2016 - $$367,240). During the nine months ended July 31, 2017 additional advances on these loans of $194,645 (2016 - $346,713) were made to the Company.

The fair value of these loans and transactions approximated their carrying values due to the short term nature of these items.

Subsequent Events:

As at August 24, 2017, the Company announced it had entered into shares for debt agreements with seven creditors of the Company pursuant to which it will issue 33,339,647 common shares, at a deemed price of $0.05 cents per share, in satisfaction of $1,666,982 indebtedness currently owed to the creditors. The creditors include both Officers and Directors of the Company. Of the $1,666,982 indebtedness, $1,555,605 relates to Officers and/or Directors of the Company or 31,112,103 shares. The Company decided to satisfy the indebtedness with common shares in order to preserve its cash for use on its wellTriever™ & mapTriever™ software, to work with its strategic partners, and for general working capital. Directors of Labrador have approved the debt conversion. On September 12, 2017, the TSX-V approved and press released the debt conversion. The common shares issued in satisfaction of the indebtedness will be subject to a four month hold period from the date of issuance.

As of July 31, 2017, the Company had 112,926,137 common shares.

“ Signed”	**“ Signed”**
H. Ronald Sterne	Jeffrey Howe
Chief Executive Officer	Interim Chief Financial Officer
Labrador Technologies Inc.	Labrador Technologies Inc.