LABRADOR TECHNOLOGIES INC.

YEAR ENDED OCTOBER 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 audited financial statements of Labrador Technologies Inc. ("LTI" or the "Company") for the years ended October 31, 2017 and 2016. Additional information with respect to LTI 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 annual financial statements for the year ended October 31, 2017 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). For each reporting period in 2017, the Company also presented comparative information for 2016, both for interim and annual financial statements, as applicable, 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. Working capital 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, from which selected information is presented. 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 may not to be comparable to similar 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 described 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 February 28, 2018.

Outlook

As has been the case for several years, during fiscal 2017, the Company has been dependent on loans from Officers and Directors to meet its month to month burn-rate obligations. These include its sizable research and development spend on Financial Visualization to prepare for an ambitious expansion into other sectors and markets.

A Transformation on the Balance Sheet

Subsequent to October 31, 2017, there were several material improvements to the Company's financial position. These improvements included: forgiveness of interest payable, primarily by the Directors, totaling $492,569; further debt of $425,728 converted into shares; and the raising of $672,500 in January 2018 by way of issuance of units. These items, together with the conversion of $1,666,982 of indebtedness into common shares in September 2017, combined to improve the Company's working capital by over $3.2 million.

Strategic Partnership with Bacancy Technology Inc. Provides Linchpin into Future

With its ambitious growth plans, management needed a linchpin into the future which is why it forged its new partnership with Bacancy Technology via both a Consulting Agreement and a Stock Option Agreement. Bacancy (https://www.bacancytechnology.com/) is a proven expert in the areas of Blockchain, Cryptocurrencies and ICOs, and has a workforce of 130 skilled developers. Bacancy's client list includes the likes of Mercedes Benz, Disney, Red Bull and Fidelity Investments. The "Private Permission" protocol of Blockchain is of particular interest to management as the Company has been specializing in visualizing proprietary/confidential information for two decades.

A Year Rich in Subsequent Events

To help it grow quickly, subsequent to the year end, the Company has executed more Consulting Agreements, with Stock Option Agreements, to professionals in complementary areas of expertise, than in its previous 37 years. One of these is with a former Officer of the Company, experienced in both accounting and financial software, to work closely with Dakota Analytics Inc., www.dakotaanalytics.com/, a leader in business consulting and information technology solutions. The wellTriever™ Heat Map visualizes proprietary/confidential financial performance indicators quickly, uniquely, and impactfully, providing a distinctive competitive advantage for its clients and decision-makers.

A Bold Transition Founded on Building Blocks

It has been a lengthy, sometimes painful, process to position the Company for explosive growth. Being in the right place, at the right time, is often a function of staying in the game long enough to exploit painstaking building blocks and… a proven track record of excellence.

Annual Financial Information

Selected Statement of operations and comprehensive income (loss) information for the years ended:	**October 31, 2017**	**October 31, 2016**	**October 31, 2015**
Revenues			
License fees	**$ 15,601**	$ 23,659	$ 27,893
Expenses			
General & Administrative	**316,684**	186,677	276,238
Development & Related	**51,232**	235,167	249,479
Marketing & Sales	**83,350**	62,850	81,375
	451,266	484,694	607,092
Finance Costs	**(176,193)**	(171,876)	(91,279)
Other Income	**89,839**	5,190	1,564
Net loss before income tax	**(522,019)**	(627,721)	(668,914)
Deferred income tax recovery	**381,657**	-	-
Net loss & comprehensive loss	**$ (140,362)**	$ (627,721)	$ (668,914)
Loss per share (basic & diluted)	**$ (0.00)**	$ (0.01)	$ 0.00

Selected Statement of financial position information as at:	**October 31, 2017**	**October 31, 2016**	**October 31, 2015**
Total assets	**$ 24,236**	$ 26,243	$ 42,454
Total Liabilities	**$ 2,050,766**	$ 3,110,997	$ 2,499,487
Outstanding common shares	**146,265,784**	112,926,137	112,926,137

Results of Operations

At October 31, 2017, the Company had cash of $7,872, no long-term debt, a current year net loss and comprehensive loss of $140,362, and a working capital deficit of $2,032,774.

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 $15,601 during the current fiscal year from the sale of software license fees (2016 - $23,659). This revenue is recognized ratably over the contract period, which ranges from four to twelve months. The Company is continuing to dedicate its resources to further sales, marketing and product strategies to increase license fee 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 with an initial focus on the Oil & Gas Industry's well and drilling data, under the banner of wellTriever™.

Expenses

General & Administrative

This category of expenses is comprised primarily of salaries, commissions and short-term employee benefits, stock-based compensation, office rent, office equipment rentals, corporate expenses related to shareholder reporting, and professional fees. General and administration expenses for the current year were $316,684, compared to $186,677 for 2016, an increase of $130,007, or 70%. The increase is primarily due to higher legal and consulting fees.

Development & Related

Development and related costs include programmers' salaries, software costs, and telecommunication costs. This category of expenses totaled $51,232 (2016 - $235,167) showing a decrease of $183,935, or 78%. The decrease is primarily due to a reduction in programmer fees as a result of a decision to reduce expenditures until additional capital could be raised.

Marketing & Sales

Marketing and sales expenses include expenses for sales and support salaries/consulting fees, and promotion/advertising. For the year, marketing and sales expenses were $83,350 (2016 - $62,850) showing an increase of $20,500, or 33%. The increase is due to increased sales efforts.

Finance Costs

Finance costs mainly includes interest accrued on loans advanced to the Company by its directors and former directors. For the year, interest expense was $176,193 (2016 - $171,876) showing an increase of $4,317, or 3%. The increase is due to the increase in Notes Payable, which bears interest at 12%, owed to officers, directors and former directors of the Company.

Stock-based compensation

No stock options were issued during 2017 and 2016 and all options had expired in 2014.

Depreciation

Depreciation expense for the year was $2,301 (2016 - $3,298) showing a decrease of $997, or 30%. Depreciation has been allocated fully to general & administrative expenses in both 2017 and 2016.

Working capital

At year end, LTI had cash of $7,872, no bank debt, and a working capital deficiency of $2,032,774. The Company received loan advances from Officers & Directors of $366,136 in 2017 (2016 - $427,713). The Company has not had any significant 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 year, the Company's cash position decreased by $396 as a result a net decrease in loan advances from directors and officers of $366,136 offset by cash used in operating activities of $366,532.

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. The Company has raised in excess of $5.6 million during the period August 1, 2005 through October 31, 2017.

There is a material uncertainty that may cast 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 minimal revenue and is now, in the short term, dependent on raising sufficient capital to realize its assets and discharge its obligations, including the working capital deficiency of $2.0 million as at October 31, 2017 (2016 - $3.1 million). In addition, the Company will continue to pursue opportunities to license its eTriever software and to generate revenue from the Company's new product, wellTriever. Revenue realized through these additional sources is expected to assist the Company in realizing its assets and discharging its obligations.

At the year end, the Company had cash of $7,872, no long-term debt, a current year net loss and comprehensive loss of $140,362, and a working capital deficit of $2,032,774. During the year ended October 31, 2017, the Company incurred a net loss of $140,362 (2016 - $627,721) and used cash in operations totaling $366,532 (2016 – $429,191).

Subsequent to October 31, 2017, there were several material improvements to the Company's financial position including $918,297 in indebtedness owed to creditors being converted into common shares or forgiven and $625,475 (net of finder's fees) being raised in a financing (note 19). These items, combined with the conversion of $1,666,982 of indebtedness into common shares prior to year end (note 10 (b)), have improved the Company's working capital by over $3.2 million.

Management believes the going concern assumption is still appropriate for these financial statements but is dependent upon the successful raising of sufficient capital in the future, achieving and sustaining profitable operations, as well as the continued support from related parties and trade and other creditors. 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 would be necessary to the carrying value of assets and liabilities, reported revenues and expenses and the classifications used in the statement of financial position.

Summary of Quarterly Results:

	2017				2016			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Revenue								
License fees	$4,020	$3,854	$4,227	$3,500	$5,667	$5,166	$5,167	$7,659
Expenses								
General & Administrative	55,830	63,254	100,089	97,511	63,193	71,582	52,176	(274)
Development & Related	13,248	24,304	13,988	(308)	75,503	71,925	63,608	24,131
Marketing & Sales	16,350	19,000	(6,000)	54,000	17,250	12,000	13,700	19,900
	85,428	106,558	108,077	151,203	155,946	155,507	129,484	43,757
Operating Loss	(81,408)	(102,704)	(103,850)	(147,703)	(150,279)	(150,341)	(124,317)	(36,098)
Finance Costs	(47,414)	(47,865)	(52,465)	(28,449)	(45,142)	(38,069)	(43,050)	(45,615)
Other Income	-	-	-	89,839	-	-	-	5,190
Net loss before income tax	(128,822)	(150,569)	(156,315)	(86,313)	(195,421)	(188,410)	(167,367)	(76,523)
Deferred income tax recovery	-	-	-	381,657	-	-	-	-
Net loss & comprehensive loss	$(128,822)	$(150,569)	$(156,315)	$295,344	$(195,421)	$(188,410)	$(167,367)	$(76,523)
Net loss per share, basic & diluted	$(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	146,265,784	112,926,137	112,926,137	112,926,137	112,926,137
Total assets	$26,243	$23,007	$26,941	$24,236	$25,487	$28,095	$25,755	$26,243

Please note that quarterly information is unaudited.

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.

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 prices in active markets for identical financial assets and liabilities.

- The fair value of loans payable approximates their carrying value as they are payable on demand.
- The fair value of trade payables and accrued liabilities approximates their carrying value due to their short term to maturity.

Level 2 - Inputs to the valuations, other than quoted prices, are observable for the financial assets and liabilities, either directly or indirectly.

Level 3 - Inputs to the valuations are based on inputs that are not observable for the financial assets and obligations

October 31, 2017

Recurring Measurements	**Level 1**	**Level 2**	**Level 3**
Financial Assets			
Cash	$ 7,872	$ –	$ –
Financial Liabilities			
Accounts payables and accrued liabilities	$ 1,813,923	$ –	$ –
Loans payable	$ 229,593	$ –	$ –

Overview

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 continues to use cash in operations, 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 in the financial statements for details regarding the going concern assumption.

At October 31, 2017, the Company has cash balances of $7,872, and a working capital deficiency of $2,032,774. The Company has financial liabilities of $2,050,766 classified as current liabilities.

Loans payable and related party transactions:

As at October 31, 2017, the Company had $229,593 (2016 - $1,530,439) 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 October 31, 2017 was $585,641 (2016 - $412,234). During the year ended October 31, 2017, additional advances on these loans of $366,136 (2016 - $427,713) were made to the Company. Total interest expense of $173,407 (2016 - $169,096) on these loans was recognized.

On September 12, 2017, the Company issued 31,112,103 common shares to settle $1,555,605 of these outstanding loan (See Note 10(b)).

a) Key Management Personnel Compensation

The key management personnel of the Company are the members of the Company's executive management team and Board of Directors. These individuals control approximately 23% (2016 – 16%) of the outstanding shares of the Company as at October 31, 2017.

In addition to their salaries and director fees, as applicable, directors and executive officers, along with certain employees of the Company, also participate in the Company's stock option plan (note 10(d)). Compensation expenses incurred with respect to key management personnel were as follows:

	2017	**2016**
Salaries	$ 96,000	$ 96,000
Total Compensation	$ 96,000	$ 96,000

Future accounting policies

The IASB has issued new standards and amendments to existing standards. These changes in accounting are not yet effective at November 1, 2017 and could have an impact on future periods.

a) IFRS 9 Financial Instruments ("IFRS 9")

The IASB issued IFRS 9, which replaces IAS 39, Financial Instruments: Recognition and Measurement, and which establishes principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. This new standard also includes a new general hedge accounting standard which will align hedge accounting more closely with risk management. It does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness; however, it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduces more judgment to assess the effectiveness of a hedging relationship. In addition, IFRS 9 introduces a new expected credit loss model for calculating impairment of financial assets, replacing the incurred loss impairment model required by IAS 39.

The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with certain exemptions. The Company will adopt IFRS 9 in its financial statements for the annual period beginning on November 1, 2018. The Company is in the process of assessing the impact of this standard on its financial statements.

b) *IFRS 15 Revenue from Contracts with Customers ("IFRS 15")*

The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgment thresholds have been introduced, which may affect the amount and/or time of revenue recognized. The Company intends to adopt IFRS 15 in its financial statements for the annual period beginning on November 1, 2018. The Company is not able at this time to estimate reasonably the impact that IFRS 15 will have on the financial statements.

c) *IFRS 16 Leases ("IFRS 16")*

On January 13, 2016, the IASB issued IFRS 16. The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply IFRS 15 at or before the date of initial adoption of IFRS 16. IFRS 16 will replace IAS 17, Leases ("IAS 17"). This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. The Company is in the process of assessing the impact of this standard on its financial statements.

d) *Amendments to IAS 7 - Disclosure initiative:*

On January 7, 2016 the IASB issued Disclosure Initiative (Amendments to IAS 7). The amendments apply prospectively for annual periods beginning on or after January 1, 2017. Earlier application is permitted. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. One way to meet this new disclosure requirement is to provide a reconciliation between the opening and closing balances for liabilities from financing activities. The Company intends to adopt the amendments to IAS 7 in its financial statements for the annual period beginning on November 1, 2017. The Company does not expect the amendments to have a material impact on the financial statements.

e) Amendments to IAS 12 - Recognition of Deferred Tax Assets for Unrealized Losses:

On January 19, 2016 the IASB issued Recognition of Deferred Tax Assets for Unrealized Losses. The amendments apply retrospectively for annual periods beginning on or after January 1, 2017. Earlier application is permitted. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments also clarify the methodology to determine the future taxable profits used for assessing the utilization of deductible temporary differences. The Company intends to adopt the amendments to IAS 12 in its financial statements for the annual period beginning on November 1, 2017. The Company does not expect the amendments to have a material impact on the financial statements.

Outstanding share data

As of October 31, 2017 LTI had 146,265,784 common shares, 0 warrants and 0 options to acquire shares outstanding.

As of February 28, 2018 LTI had 168,230,532 common shares, 14,390,500 warrants and 15,500,000 options to acquire shares outstanding.

H. Ronald Sterne

" Signed "

Chief Executive Officer and President
Labrador Technologies Inc.

Jeffrey A. Howe

" Signed "

Interim Chief Financial Officer
Labrador Technologies Inc.