PARTNER JET

MANAGEMENT'S DISCUSSION AND ANALYSIS – THREE MONTHS ENDED FEBRUARY 29, 2020 AND FEBRUARY 28, 2019

1. General

The following Partner Jet Corp. (the "Company") management's discussion and analysis ("MD&A"), of operating results and financial position for the three months ended February 29, 2020 and February 28, 2019, is supplementary to, and should be read in conjunction with the condensed consolidated interim financial statements for the same periods, as well as the audited consolidated financial statements for the year ended November 30, 2019. The condensed consolidated interim financial statements and management's discussion and analysis for the three months ended February 29, 2020 and February 28, 2019 were reviewed by the Company's Audit Committee and approved by the Board of Directors. This discussion covers the last completed fiscal period and the subsequent period up to the date of the filing of this MD&A. This MD&A is dated April 21, 2020.

Additional information on the Company can be found on the Company's website at www.partnerjet.com and through the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

2. Forward Looking Statements

This management's discussion and analysis contains statements about expected future events and financial and operating results of Partner Jet Corp. that are forward looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. These forward looking statements are based on the current estimates and opinions of management. There is substantial risk that forward looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on the Company's forward looking statements as a number of factors including economic conditions, industry change, technological change, regulatory change, and competitive factors, could cause actual future results, conditions, actions or events to differ materially from targets, expectations, estimates or intentions expressed in the forward looking statements; many of which are beyond the Company's control. A significant risk factor identified by the Company which could cause actual results to differ materially from the current expectations is the retention of the existing contracts with independent corporations for the care, custody and control of their aircraft. The Company mitigates these risks and uncertainties by focusing its sales energies on securing additional customer contracts and exploring for new related revenue streams. Readers are cautioned that forward-looking statements are not guarantees of future performance.

3. Overview

Partner Jet Corp. is incorporated under the laws of Ontario and its shares are currently posted for trading on the TSX Venture Exchange (PJT:TSX-V). The Company, through its subsidiary Partner Jet Inc., carries on the business of a full service aircraft management, private aircraft charter sales and flight support services capable of operating a wide range of corporate aircraft. The Company's revenue is generated through aircraft management contracts, charter and sub-charter activities, and aircraft maintenance contracts.

3. Overview (Continued)

Essential to the management contracts are the CAR Part 604 and 704 private and commercial licenses granted by Transport Canada to Partner Jet Inc. These licenses permit Partner Jet Inc. to operate private flights on behalf of aircraft owner, a domestic and international air taxi service utilizing small jet aircraft and to transport passengers on a charter basis between Canada and other countries.

Partner Jet Corp. and its subsidiary are located at one centralized location at 2450 Derry Road East, Hangar #9, Mississauga, Ontario. These facilities house activities that include: sales, reservations, dispatch, maintenance, administration and accounting.

The Company's overall financial performance for the three months ended February 29, 2020 declined from that of the same period in the previous fiscal year. The result of this performance was a net loss after income taxes for the three months ended February 29, 2020 of ($55,393), compared to the same period ended February 28, 2019 net income after income taxes of $12,165. The loss per share for the first three months of fiscal 2020 was ($0.0061) compared to the same period of fiscal 2019 earnings per share of $0.0013.

The Company's working capital of $2,621,386 as at February 29, 2020 decreased by $54,451 from the November 30, 2019 amount of $2,675,837. This decrease is due to loss from operations, offset by appropriate cash management, monitoring of accounts receivables, and control over prepaid expenses, accounts payables and accrued liabilities. Correspondingly, the Company has no debt and is able to fund all capital requirements and all operations with internally generated cash flow and working capital.

The Company's intention is to continue to grow by marketing its unique product mix throughout the Canadian marketplace while exploring possible opportunities for expansion into related product offerings.

4. Discussions of Operations

The Company's operations consist of revenues generated from the management, chartering of excess capacity, and maintenance of aircraft owned by independent corporations. The results of operations for the quarter ended February 29, 2020 and February 28, 2019 are as follows:

Aircraft Management	**Revenue** **$**	**Expense** **$**	**Margin** **$**	**Margin** **%**
Fiscal 2020 1st Quarter	1,019,014	999,749	19,265	1.89%
Fiscal 2019 1st Quarter	1,153,136	1,045,972	107,164	9.29%

Aircraft management revenue for the quarter ended February 29, 2020 was $1,019,014, a decrease of $134,122 (a decrease of 11.63%) from the same period in fiscal 2019. The decreased volume was primarily due to the decreased aircraft activities.

The aircraft operating cost for the quarter ended February 29, 2020 was $999,749, a decrease of $46,223 (a decrease of 4.42%) from the same period in fiscal 2019. This proportionate decrease in aircraft operating cost was due to the decreased aircraft activities as noted above.

The net result of these changes was a positive first quarter margin contribution from aircraft management services of $19,265.

4. Discussions of Operations (Continued)

Charter Activities	Revenue $	Expense $	Margin $	Margin %
Fiscal 2020 1st Quarter	380,267	339,010	41,257	10.85%
Fiscal 2019 1st Quarter	518,168	459,532	58,636	11.32%

The charter rates per hour charged by the Company for each of the aircraft managed by the Company remain unchanged for the first quarter of fiscal 2020, fixed by the long-term contracts with the aircraft owners.

The revenue from charter activities for the first quarter of fiscal 2020 was $380,267, a decrease of $137,901 (a decrease of 26.61%) from the same period in fiscal 2019. The decrease was attributed to the decreased flight volumes from our charter customers.

The cost from charter activities for the first quarter of fiscal 2020 was $339,010, a decrease of $120,522 (a decrease of 26.23%) from the same period in fiscal 2019. This proportionate decrease was due to the decrease in flight volumes as noted above.

The charter activities made a $41,257 contribution to the operating margin in the first quarter of fiscal 2020 as compared to $58,636 for the same period in fiscal 2019.

Aircraft Maintenance	Revenue $	Expense $	Margin $	Margin %
Fiscal 2020 1st Quarter	1,083,967	1,050,755	33,212	3.06%
Fiscal 2019 1st Quarter	408,350	398,699	9,651	2.36%

Controlling customer costs are basic to the Company's fleet growth. Scaled maintenance support has been subcontracted to an established aircraft maintenance organization (AMO) licensed to support all aircraft types operated by the Company and able to supply services on demand. This has significantly reduced costs while improving dispatch performance, work quality and customer satisfaction. Sustained cost control remains critical to attracting and retaining management customers which is reflected by the increased revenues and minimal maintenance margins. Aircraft maintenance revenue for the quarter ended February 29, 2020 was $1,083,967, an increase of $675,617 (an increase of 165.45%) from the same period in fiscal 2019. The increase in maintenance revenue was related to the higher levels of scheduled maintenance.

Aircraft maintenance cost for the quarter ended February 29, 2020 was $1,050,755, an increase of $652,056 (an increase of 163.55%) from the same period in fiscal 2019. The increase was directly related the higher levels of scheduled maintenance as noted above.

The maintenance activities made a $33,212 contribution to the operating margin in the first quarter of fiscal 2020 as compared to $9,651 for the same period in fiscal 2019.

Expense – General Operations

	Expense $
Fiscal 2020 1st Quarter	149,127
Fiscal 2019 1st Quarter	158,900

4. Discussions of Operations (Continued)

Expense – General Operations (continued)

The expense from general operations for the first quarter of fiscal 2020 was $149,127, a decrease of $9,773 (a decrease of 6.15%) from the same period in fiscal 2019. This decrease in expense from general operations was related to the decreased sales expenses and office rent expenses in the first quarter of fiscal 2020.

Overall Performance

The first quarter of fiscal 2020 incurred a net loss after income taxes of ($55,393) compared to a net income after income taxes of $12,165 in the same period of fiscal 2019, which reflects the decreased profitability due to the factors discussed above, including the decreased aircraft activities and the decrease in flight volumes from our charter customers offset by the increased maintenance activities and the decreased expenses from general operations.

5. Summary of Quarterly Results

The following table shows selected consolidated financial information for the Company, prepared in accordance with IFRS, for the eight most recently completed quarters (unaudited):

	Feb-20	Nov-19	Aug-19	May-19	Feb-19	Nov-18	Aug-18	May-18
	$	$	$	$	$	$	$	$
Operations:								
Total revenue	2,483,248	2,065,731	2,291,061	2,473,822	2,079,654	2,831,293	2,793,826	3,688,569
(Loss) Income before taxes	(55,393)	154,120	(131,277)	(126,455)	16,551	35,945	97,943	79,319
Net (loss) income	(55,393)	175,632	(131,559)	(122,069)	12,165	27,420	73,022	53,478
Basic (loss) earnings per share	(.0061)	.0193	(.0145)	(.0134)	.0013	.0030	.0080	.0059
Fully diluted (loss) earnings per	(.0061)	.0193	(.0145)	(.0134)	.0013	.0030	.0080	.0059
Financial Position:								
Total assets	4,050,063	3,865,937	3,393,064	3,686,333	3,516,917	3,383,979	5,259,768	5,184,748
Shareholders' Equity	2,637,782	2,693,175	2,517,543	2,649,102	2,771,171	2,759,006	2,731,586	2,658,564

6. Liquidity and Capital Resources

The Company's working capital of $2,621,386 as at February 29, 2020 is comprised of highly liquid assets which are sufficient to fund the Company's operations in the foreseeable future. The Company's revenue streams and resulting cash flow are also anticipated to be sufficient in the foreseeable future. Partner Jet has no immediate material capital acquisition needs that cannot be funded from cash flows generated from ongoing operations. The Company has no immediate plans to generate capital by issuing shares.

Working Capital as at	February 29, 2020	November 30,2019
Current Assets		
Cash and cash equivalents	$ 1,237,083	$ 1,889,330
Trade and other receivable	2,748,749	1,740,804
Income taxes receivable	26,262	26,262
Prepaid expenses	21,573	192,203
Current Liabilities		
Trade payables and accrued liabilities	$ 1,243,046	$ 771,397
Unearned revenue	169,235	401,365
Working Capital	$ 2,621,386	$ 2,675,837

6. Liquidity and Capital Resources (Continued)

	Three months ended	
	February 29 2020	February 28 2019
Operating Activities		
Net and comprehensive (loss) income for the period	**$ (55,393)**	$ 12,165
Non-cash items:		
Amortization	**942**	1,218
	(54,451)	13,383
Changes in non-cash working capital balances:		
Trade and other receivables	**(1,007,945)**	256,678
Prepaid expenses	**170,630**	(147,923)
Trade payables and accrued liabilities	**471,649**	106,033
Income taxes payable	**-**	(7,716)
Unearned revenues	**(232,130)**	22,456.00
Cash (used in) provided by operating activities	**(652,247)**	242,911
(Decrease) Increase in cash	**(652,247)**	**242,911**
Cash and cash equivalents, beginning	**1,889,330**	944,671
Cash and cash equivalents, ending	**$ 1,237,083**	$ 1,187,582
Comprised of:		
Cash	**$ 1,218,541**	$ 1,169,261
Cash equivalents	**$ 18,542**	$ 18,321
Total:	**$ 1,237,083**	$ 1,187,582

Capital Stock

Authorized:

Unlimited number of Class B preference shares, redeemable non-participating and entitled to one vote per share

Unlimited number of Class C preference shares, issuable in series, and entitled to one vote per share

Unlimited number of common shares

Stated:

9,078,774 common shares	$1,102,694

	Number	Amount
Balance as at February 29, 2020 and November 30, 2019	9,078,774	$1,102,694

6. Liquidity and Capital Resources (Continued)

The Company has an incentive stock option plan in place for its directors, officers, employees and consultants. Options may be granted for a period not exceeding five years at an option price not less than the market price of the shares at the time the option is granted subject to a minimum price of $0.10. The maximum number of common shares which may be set aside for issuance under the plan is 907,877. From time to time, such number may be increased subject to approval of the shareholders of the Company. The maximum number of common shares that may be reserved for issuance to any one person under the plan is 5% (2% with respect to consultants) of the common shares outstanding at the time of the grant, less the number of shares reserved for issuance to such person.

Stock Options Activity

	February 29, 2020		November 30, 2019	
	Number of Options	Weighted average Exercise price	Number of Options	Weighted average Exercise price
Balance, beginning of period	200,000	$ 0.40	200,000	$ 0.40
Granted	0	$ 0.00	0	$ 0.00
Exercised	0	$ 0.00	0	$ 0.00
Cancelled	0	$ 0.00	0	$ 0.00
Balance, end of period	200,000	$ 0.40	200,000	$ 0.40

7. Commitments

The Company's subsidiary is committed to the following minimum payments under operating leases for office and aircraft hangar space:

	Minimum Payments
Not later than one year	$ 531,904
Later than one year and not later than five years	874,380
Total	$ 1,406,284

8. Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements or obligations other than the operating leases disclosed above.

9. Related Party Transactions

Related parties include the members of Board of Directors, shareholders and enterprises which are controlled by these individuals.

Pursuant to arrangements between the Company and Flight Solutions & Services Inc. ("FSS") and its subsidiaries (collectively "Related Companies"), the Related Companies provide a range of services to the Company, including administrative, technical, regulatory, systems and support services (collectively, the "Services"). In addition, the Related Companies receives services from the Company. Each of the Related Companies is 100% owned and controlled by Ian McDougall, the Executive Vice Chairman of the board of directors of the Company. Mr. McDougall, through FSS, is also a significant shareholder of the Company. As such, the Related Companies are each related parties of the Company.

9. Related Party Transactions (Continued)

Effective cost control remains crucial to preserving customer loyalty and sustaining growth. Through these arrangements, the Company is able to leverage the Related Companies' existing commercial arrangements to obtain labour, fuel and insurance at a discount to prevailing market prices. In particular, FSS provides operational services and fuel supplies. The Related Companies have supplied overload staff and administrative services to the Company from time to time as required on a scalable basis to permit the Company to limit fixed staff commitments. In each case, the Services provided are services that are required for the Company to operate its business. The purpose of obtaining the Services from the Related Companies is that the Company is able to obtain these services on terms superior to those that would otherwise be available to the Company if the Services were contracted from a third party.

During fiscal 2019, the Company maintained an arrangement with MX Aerospace Inc., an aircraft maintenance service provider 100% owned and controlled by Ian McDougall as reported in prior Management Discussion and Analysis Reports. Such services are now provided by a third-party maintenance provider and are no longer the subject of a Related Party transaction.

The following table summarizes the Company's related party transactions for the three months ended:

	February 29 2020	February 28 2019
Aircraft management revenues:		
Revenue from a company controlled by a Director	$147,244	$96,765
Maintenance revenues:		
Revenue from a company controlled by a Director	228,210	-
Aircraft operating expenses:		
Purchases from companies controlled by a Director	$255,009	$243,798
Charter expenses:		
Purchases from companies controlled by a Director	$100,652	$108,935
Maintenance expenses:		
Purchases from a company controlled by a Director	-	$398,699
General and administrative expenses:		
Directors fees and related director expenses	$2,250	$1,500
Administrative services from a company controlled by a Director	$57,000	$57,000
Office expenses paid by companies controlled by a Director	$2,185	$4,243

The remuneration of the key management personnel during the periods were as follows:

	Three months ended	
	February 29, 2020	February 28, 2019
Short-term benefits	$62,500	$22,500
Total remuneration	**$62,500**	**$22,500**

9. Related Party Transactions (Continued)

The following table summarizes the Company's receivables and payables from related parties as at:

		February 29 2020		November 30 2019
Trade and other receivables:				
Receivable from companies controlled by a Director	$	1,775,634	$	1,153,109
Prepayments:				
Prepaid to a company controlled by a Director	$	-	$	62,200
Trade payables and accrued liabilities:				
Payable to companies controlled by a Director	$	314,933	$	279,077
Payable to Directors	$	2,250	$	-

These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The costs of these transactions are market competitive. Through these transactions, the Company has generated cost-savings over a wide range of items as a result and the benefits of these reductions have been passed to the Company's customers.

The related party transactions are reviewed by the Audit Committee which is made up exclusively of independent directors. Material includes competitive standards and quotes and identifiable gain for the Company in terms of costs and revenues.

10. Critical Accounting Estimates

The preparation of these condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. Actual outcomes could differ from these estimates.

Reported amounts which require management to make significant estimates and assumptions include allowance for doubtful accounts, property, plant and equipment, deferred taxes. These items are discussed below.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Allowance for doubtful accounts

The Company reviews the age of accounts receivables, the credit history of the customers, and the financial strength of the customers to evaluate the collectability of the accounts receivables and provide for an allowance for doubtful accounts, if necessary, based on management's best estimates.

Share based payments

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in *Note 6.*

10. Critical Accounting Estimates (Continued)

Property, plant and equipment

Certain costs incurred are capitalized and amortized over the estimated useful lives of the respective assets. The carrying value of the assets depends on the estimated useful life, which is the period over which the assets are written off. If the estimated useful lives of these assets were materially incorrect, the Company would experience increased or decreased changes to amortization charges in the future, which in turn would result in material changes to the net income.

Deferred taxes

Deferred tax assets are only recognized to the extent that it is probable that there will be sufficient taxable income against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period which is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

There have been no material changes in critical accounting estimates during the first quarter of fiscal 2020.

11. Accounting Policy Developments

New standards and interpretations not yet adopted

Certain new standards, amendments to existing standards, and interpretations were issued by the International Accounting Standard Board ("IASB") that are mandatory but not yet effective for the current reporting period, and therefore have not been applied in preparing these consolidated financial statements.

IFRS 16 *Leases* ("IFRS 16"): This standard replaces IAS 17 Leases ("IAS 17"). This standard introduces a single lease accounting model for lessees that will result in the recognition of a right-of-use asset, as well as a lease liability reflecting the present value of future lease payments. Depreciation expense on the right-of-use asset and interest expense on the lease liability will replace the operating lease expenses that were recognized under IAS 17. This new pronouncement is effective for the period on or after January 1, 2019. The adoption of IFRS 16 will not result in any material changes in the Company's assets and liabilities.

12. Financial Instruments and Risk Management

Financial Assets and Liabilities

The Company has classified cash and cash equivalents and short-term investments as financial assets, and measured at fair value through profit or loss. Trade and other receivables are classified as financial assets, and measured at amortized cost. Trade payables and accrued liabilities are classified as financial liabilities, and measured at amortized cost.

The carrying values and fair values of financial assets and liabilities as at February 29, 2020 and November 30, 2019 are summarized as follows:

Fair Values

The carrying values of the Company's financial instruments comprising of cash and cash equivalents, short-term investments, trade and other receivables, and trade payables and accrued liabilities approximate the fair value due to their short-term maturity.

12. Financial Instruments and Risk Management (Continued)

Risk Management

The Company is exposed to risks that arise from its use of financial instruments. The Company's financial instruments comprise of cash and cash equivalents, short-term investments, trade and other receivables, and trade payables and accrued liabilities. Disclosures relating to exposure to risks, in particular credit risk, foreign currency risk, concentration risk, market risk and liquidity risk are provided below.

a) Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, comprise primarily of cash and cash equivalents and trade and other receivables. The maximum exposure to credit risk of these items is the carrying amount as reported on the financial statements. Cash and cash equivalents are maintained at a major Canadian financial institution. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions of reputable credit and therefore bear minimal risk. Credit risk on trade and other receivables is minimized as a result of the constant review and evaluation of the account balances. The Company also maintains an allowance for credit losses at an estimated amount, allocating sufficient protection against losses resulting from collecting less than full payments from its receivables. There is no indication, as at this dates, that the debtors will not meet their obligations, except as has been provided for as bad debts during the reporting periods. The Company manages its credit risk relating to its trade receivables through credit approval and monitoring procedures, including senior management prior approval of all sales. Such approvals are based on trade information, payment history, credit rating and financial analysis, where possible.

b) Foreign Currency Risk

The Company is exposed to currency risk as certain of its operating activities are transacted in US dollars, resulting in the holding of related financial instruments in US dollars. At the statement date, the Company had financial instruments denominated in US currency as shown below. Management has not deemed it necessary to use derivative financial instruments to reduce exposure to foreign exchange risk.

In US Dollars	February 29 2020	November 30 2019
Cash and cash equivalents	$2,940	$184,838
Trade and other receivables	139,710	-
Trade payables and accrued liabilities	(245,029)	(134,433)
Net US Dollar assets (liabilities)	($102,379)	$50,405

The amounts were translated at the US dollar / Canadian dollar exchange rate of 1.3429 as at February 29, 2020 (1.3289 as at November 30, 2019).

c) Concentration Risk

The Company is exposed to customer concentration risk as the Company's ability to continue its operations depends heavily on the retention of the existing contracts with independent corporations for the care, custody and control of their aircraft. The Company mitigates these risks and uncertainties by focusing its sales energies on securing additional customer contracts and exploring for new related revenue streams.

12. Financial Instruments and Risk Management (Continued)

Risk Management (continued)

d) Market Risk

The Company's investments are exposed to market risk arising from uncertainties about future values of the investments. The Company manages market risk through diversification and investing only in blue-chip equities with a history of stable return listed on various public stock exchanges. Senior management reviews the equity portfolio on a regular basis.

e) Liquidity Risk

The Company is exposed to liquidity risk to the extent that it is required to meet its financial obligations as these become due. The Company's approach to managing liquidity risk is to ensure that it has sufficient cash and other current financial assets to meet its obligations when due, without incurring unacceptable losses or damage to the Company's reputation. Management forecasts cash flows to identify financing requirements. These requirements are then addressed through a combination of cash management and access to additional capital.

f) Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes that a 10% movement in interest rates and foreign exchange rates that may reasonably be expected to occur over the next twelve month period will not have a significant impact on the Company.

13. Subsequent Events

Subsequent the quarter ended February 29, 2020, the Company entered into an aircraft purchase and sale agreement with a related party, where in it purchased a Cessna C-750 Citation X Aircraft for a total consideration of $3,912,650. The purchase price is to be paid as follows:

(i) The initial payment of $1,500,000 is in the form of a credit issued by the Company to the seller against outstanding accounts between the buyer and the seller.
(ii) The balance is a promissory note of $2,412,650 with interest payable on the unpaid principal at the rate of 5.00 percent per annum, calculated annually. This promissory note will be repaid in consecutive monthly installments of $20,000 for 48 months with the balance then owing under this note being paid at that time.

The Canadian economy is currently undergoing significant uncertainties due to the impact of the COVID19 Virus. This uncertainty in the economy has and will continue to pose a major challenge to the ongoing operations of all travel related companies. The volatile effect of this COVID19 Virus on the economy and the Company is not currently determinable but will pose a major business risk on a go forward basis.