LABRADOR TECHNOLOGIES INC.

THREE MONTHS ENDED JANUARY 31, 2018

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 three months ended January 31, 2018 and 2017. 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 three months ending January 31, 2018 have been prepared in accordance with IFRS as published by the International Accounting Standards Board. The Company also presented comparative information for three months ending January 31, 2017, 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 April 2, 2018.

Outlook

Labrador is well positioned to benefit from increased activity in two sectors: its historical offerings in the Oil & Gas sector and its expansion into the fast-emerging Cannabis Industry. On March 22nd, the Company announced its Initial Token Offering:

https://web.tmxmoney.com/article.php?newsid=8682116425117502&qm_symbol=LTX.

Accordingly, the Company is using its map-based visualization software to help develop a cannabis ecosystem for growers, dispensaries, customers, and research groups. With the recent appointment of Ms. Kelby Price as Vice President of Corporate Development, two appointees to the advisory council, and a strategic partnership with Bacancy Technologies, Labrador has the core team and technological potential capable of developing a successful, proprietary ecosystem solution for the cannabis industry… and, when successful, to then reapply it to other suitable industries going forward. In the meantime, the Company is working on its White Paper, a "road-map" for its Initial Token Offering (ITO) and updates will follow in Press Releases:

As the Company just filed its Annual Report only one month ago, the below from its SEDAR filing February 28, 2018, remains quite relevant and is reprinted here for convenience:

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 January 31, 2018, the Company has cash balances of $463,093, no long-term debt, a current period net loss and comprehensive loss of $287,761, and a working capital deficit of $580,285.

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 $3,731 during the three months ended January 31, 2018 from the sale of software license fees (2017 - $4,020). 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

		Three Months Ended		
		January 31, 2018		January 31, 2017
Revenue				
License Fees	**$**	**3,731**	$	4,020
Expenses				
General & Administrative		**83,814**		55,830
Share based compensation		**294,712**		-
Development & Related		**505**		13,248
Marketing & Sales		**29,000**		16,350
		408,031		85,428
Operating Loss		**(404,300)**		(81,408)
Finance Costs		**(7,905)**		(47,414)
Other Income		**42,406**		-
Loss before income and other taxes		**(369,799)**		(128,822)
Deferred Tax Recovery		**(82,038)**		-
Net Loss & Comprehensive Loss	**$**	**(287,761)**	$	**(128,822)**
Loss per share				
Basic & diluted	**$**	**(0.00)**	$	(0.00)

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 three months ended January 31, 2018 were $83,814 compared to $55,830 for the three months ended January 31, 2017, an increase of 50% ($27,984). The increase was due to increased activities for the three months ended January 31, 2018.

Development and related costs

Computer and related costs include programmers' salaries, programmers' consutling fees, software costs, and telecommunication costs. This category of expenses totaled $505 for the three months ended January 31, 2018 compared to $13,248 for the three months ended January 31, 2017, an decrease of 96% ($12,743). 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 Expenses

Marketing & sales expenses include expenses for sales and support salaries/consulting fees, and promotion/advertising. Expenses for the month period ended January 31, 2018 were $29,000 compared to $16,350 for the three months ended January 31, 2017, an increase of 77% ($12,650). The increase is due to increased sales efforts.

Financing Costs

Financing costs includes mainly interest paid on loans advanced to the Company by its officers, directors, former directors, and shareholders. For the three months ended January 31, 2018, interest expense was $7,905 compared to $47,414 for 2017, an decrease of 83% ($39,509). The decrease is primarily due to the significant forgiveness of debt.

Stock-based compensation

Stock-based compensation of $294,712 were recorded as a result of 13,500,000 options issued to directors and consultants during the period, compared to $nil in 2017.

Depreciation

Amortization expense for the three months ended January 31, 2018 was $424 compared to $589 for the three months ended January 31, 2017. Depreciation has been allocated fully to general & administrative expenses in both 2018 and 2017.

Working capital

At January 31, 2018, LTI had cash of $463,093, no bank debt, and a working capital deficiency of $580,285. The Company received loan advances from Officers & Directors of $16,425 during the period (2017 - $35,645)). 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 three months ended January 31, 2018, the Company's cash position increased by $455,221 as a result of the increase in cash of $641,900 through financing activities and offset by cash used in operating activities of $186,679.

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 $6.2 million during the period August 1, 2005 through January 31, 2018.

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 $580,285 as at January 31, 2018 (October 31, 2017 - $2.0 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 January 31, 2018, the Company has cash balances of $463,093, and a working capital deficiency of $580,285. During the three months ended January 31, 2018, the Company incurred a net loss of $287,761 (2017 - $128,822) and used cash in operations totaling $186,679 (2017 – $35,711).

During the three months ended January 31, 2018, 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. These items, combined with the conversion of $1,666,982 of indebtedness into common shares prior to year ended October 31, 2017 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.

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

	2018	2017	2017	2017	2017	2016	2016	2016
	1Q	4Q	3Q	2Q	1Q	4Q	3Q	2Q
Revenue								
License fees	$ 3,731	$ 3,500	$ 4,227	$ 3,854	$ 4,020	$ (11,980)	$ 5,167	$ 5,166
	3,731	3,500	4,227	3,854	4,020	(11,980)	5,167	5,166
Expenses								
General & Administrative	83,814	97,511	100,089	63,254	55,830	(131,121)	52,176	71,582
Share based compensation	294,712	-	-	-	-	-	-	-
Development & Related	505	(308)	13,988	24,304	13,248	(197,788)	63,608	71,925
Marketing & Sales	29,000	54,000	(6,000)	19,000	16,350	(26,600)	13,700	12,000
	408,031	151,203	108,077	106,558	85,428	(355,509)	129,484	155,507
Operating Loss	(404,300)	(147,703)	(103,850)	(102,704)	(81,408)	343,529	(124,317)	(150,341)
Finance Costs	(7,905)	(28,449)	(52,465)	(47,865)	(47,414)	(45,615)	(43,050)	(38,069)
Other Income	42,406	89,839	-	-	-	-	-	-
Net loss before income tax	(369,799)	(86,313)	(156,315)	(150,569)	(128,822)	297,914	(167,367)	(188,410)
Deferred Income Tax	82,038	381,657	-	-	-	-	-	-
Net loss & comprehensive loss	$ (287,761)	$ 295,344	$ (156,315)	$ (150,569)	$ (128,822)	$ 297,914	$ (167,367)	$ (188,410)
Net loss per share, basic & diluted	$ (0.00)	$ 0.00	$ (0.00)	$ (0.00)	$ (0.00)	$ 0.00	$ (0.00)	$ (0.00)
Outstanding shares	168,230,352	146,265,784	112,926,137	112,926,137	112,926,137	112,926,137	112,926,137	112,926,137
Total assets	495,369	24,236	26,941	23,007	26,243	26,243	25,755	28,095

Financial Instruments and Financial Risk Management

i) Classification of financial instruments:

	Classification	Measurement
Cash	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 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.

Recurring Measurements	**January 31, 2018**	**Level 1**	**Level 2**	**Level 3**
Financial Assets				
Cash		$ 463,093	$ –	$ –
Financial Liabilities				
Accounts payables and accrued liabilities		$ 967,442	$ –	$ –
Loans payable		$ 92,642	$ –	$ –

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 for details regarding the going concern assumption.

At January 31, 2018, the Company had cash balances of $463,093 and a working capital deficiency of $580,285. The Company had financial liabilities of $1,069,834 classified as current liabilities.

Loans Payable and Related Party Transactions

a) *Related Party Transactions:*

As at January 31, 2018, the Company had $92,642 (October 31, 2017 - $229,593) 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 January 31, 2018 was $100,259 (October 31, 2017 - $585,641). During the period ended January 31, 2018, additional advances on these loans of $16,425 (2017 - $35,645) were made to the Company. Total interest expense of $7,188 (2017 - $46,724) on these loans was recognized.

On January 9, 2018, 6,000,000 options were granted to directors of at a price of $0.06 per share with an expiry of January 9, 2023. 50% of the options vested on issuance and 50% on January 9, 2019.

On January 29, 2018, the Company entered into debt settlement agreements with four creditors (including 1 director), pursuant to which the Company issued 8,514,568 common shares at a price of $0.05 per share in satisfaction of $425,728 of debt.

On January 29, 2018, the Company announced that that $492,569 in interest payable has been forgiven by certain debt holders, including 3 directors. Of this amount, $393,911 was recorded as contributed surplus (net of $82,038 of tax) and the remaining $16,620 as gain on settlement of debt.

b) *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.

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. Compensation expenses incurred with respect to key management personnel were as follows:

	Three months ended January 31, 2018	**Three months ended January 31, 2017**
Salaries	$ 24,000	$ 24,000
Total Compensation	$ 24,000	$ 24,000

Subsequent events:

On February 2, 2018, 1,000,000 options, which vested immediately, were granted to a consultant at a price of $0.05 per share with an expiry of February 2, 2023.

On February 22, 2018, an additional 1,000,000 options, which vested immediately, were granted to a consultant at a price of $0.05 per share with an expiry of February 22, 2021.

On March 2, 2018, an additional 250,000 options were granted to a consultant at a price of $0.05 per share with an expiry of March 2, 2021. Half of these options are vested immediate with the other half vested at the first anniversary of the grant date.

On March 6, 2018, an additional 250,000 options were granted to a consultant at a price of $0.05 per share with an expiry of March 6, 2021. Half of these options are vested immediate with the other half vested at the first anniversary of the grant date.

On March 23, 2018, an additional 820,000 options were granted to a consultant at a price of $0.05 per share with an expiry of March 23, 2023. Half of these options are vested immediate with the other half vested at the first anniversary of the grant date.

Outstanding Share Data

As of April 2, 2018 LTI had 168,230,532 common shares, 14,390,500 warrants and 16,820,000 options to acquire shares outstanding.

" "	" "
H. Ronald Sterne	Jeffrey Howe
Chief Executive Officer Labrador Technologies Inc.	Interim Chief Financial Officer Labrador Technologies Inc.