Earth Alive Clean Technologies Inc.

Management's Discussion and Analysis

For the Three Months ended March 31, 2017
(As of May 26, 2017)

MANAGEMENT DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
For the three months ended March 31, 2017

The following Management Discussion and Analysis ("Management's Discussion and Analysis" or "MD&A") should be read in conjunction with the Condensed Consolidated Interim Financial Statements and the related notes for the three months ended March 31, 2017 that were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") and do not contain all the information required for financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

This discussion should not be considered all-inclusive, as it excludes changes that may occur in general economic, political and environmental conditions. Additionally, other matters may occur which could affect the Company in the future. Unless stated otherwise, all dollar amounts are expressed in Canadian dollars. Except as otherwise indicated, all financial information contained in this discussion and analysis and in the Condensed Consolidated Interim Financial Statements has been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS").

This MD&A was reviewed and approved by the Company's Audit Committee and is effective as of May 26, 2017.

As used in this MD&A, the terms "EACT", "Earth Alive", "the Company", "we", "us", "its" or "our", unless the context indicates otherwise, mean Earth Alive Clean Technologies Inc. a Venture Issuer on the Canadian Stock Exchange at www.cnsx.ca under the stock symbol EAC and its subsidiaries. Additional information about the Company can be obtained on SEDAR at www.sedar.com.

Forward Looking Statements
Forward-looking statements are statements that are not historical facts, and include but are not limited to, estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to the effectiveness of EACT's business model; future operations, products and services; the impact of regulatory initiatives on EACT's operations; the size of and opportunities related to the markets for their products; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures and statements regarding future performance.

Forward-looking statements used in this Management Discussion and Analysis are subject to various risks and uncertainties, most of which are difficult to predict and are generally beyond the control of EACT. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, our actual results may vary materially from those expected, estimated or projected. Forward-looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors and prospective investors are cautioned not to place undue reliance on such forward-looking statements.

Description of Company and overall performance
Earth Alive Clean Technologies Inc. and its subsidiaries ("the Company") exports its products to various world regions and is focused on formulating and manufacturing niche products destined for a variety of industries, using the latest innovations in microbial technology, which, once blended with a host of other proprietary natural ingredients, allow the Company to formulate and patent innovative environmentally sustainable products that can deal with difficult industrial challenges without the use of environmentally harmful chemicals and additives. The microbial and bacterial spores are sold in their primary form, or blended in ready-to-use powdered or liquid formulations. The Company can also formulate and blend specially developed products to meet specific tasks, or private label needs and can ship directly anywhere in the world from Montreal, or through one of its distributors/blending contractors in various countries.

The Company markets its products in Canada, the Caribbean, Central and South America, Europe as well as Africa and it receives inquiries for its products from all regions of the world.

To support its expansion and development and provide access to sources of funding, the management of Earth Alive took steps at the end of 2013 to become a reporting issuer and completed a going public transaction (a reverse take-over) in April of 2014 with Treegenic, a reporting issuer engaged in the exploration for minerals.

Following the going public transaction, the Company acquired LFP Solutions Inc. in June of 2014, a Canadian manufacturer and distributor of organic agriculture fertilizers and inputs which are sold at the retail level in Canadian stores, as well as on the commercial and industrial levels in Canada and abroad, expanded the Corporation's presence in the agriculture field and its founder, Michael Warren, joined the Corporation as head of the agriculture division.

The Company is divided into two operating segments, Agriculture and Dust Suppression. The Company essentially operates a single line of business, i.e. using the latest innovations in microbial technology, which, once blended with a host of other proprietary natural ingredients, allow the Company to formulate and patent innovative environmentally sustainable products for a variety of industries. Segment reporting follows the same accounting policies as those used to prepare the consolidated financial statements.

Dust Suppression
The dust suppression segment provides a biodegradable microbial product that abates dust. Earth Alive commercialises its patent-pending, microbial dust suppression technology (EA1) to the global mining industry. With the availability of the EA1 technology, the world's thousands of operating mines no longer need to use harmful chemicals such as chlorides and petroleum derivatives to control harmful dust emanations. Modern mining operations now have an environmentally sustainable alternative with the EA1 product, which is currently being evaluated, and rolled out for large scale use on mine sites from Africa to Latin America, in wide ranging types of mining operations.

The biodegradable microbial product abates dust by using microbial technology to keep dust particles in the soil. The EA-1 microbial technology creates conditions that prevent dust from becoming airborne while helping to retain moisture in the soil. EA-1 reintroduces into the soil some of the same natural microbial compounds already found in nature to control dust emissions. In addition to being environmentally sustainable, EA-1 dust suppressant product makes dust control efforts more efficient and less labor-intensive. EA-1 also reduces the formation of ripples on the road, provides soil stabilization benefits, and improves traction on the roads. In can also help remediate mining roads contaminated by hydrocarbons and other chemicals during a mine's operational years leaving a clean site behind. The conventional use of synthetic chemicals to control road dust on mine sites is coming under increasing scrutiny by governments, corporations, activists and local communities.

The Dust suppression segment can be subject to the commodity cycles and fluctuations in metal prices which can reduce or increase the quantity of operating mines around the world and demand for dust control solutions in the mining sector can therefore be cyclical as well.

Agriculture
The Agriculture segment provides environmentally friendly products for retail and industrial uses such a fertilizers and soil amendments. The Company commercialises its non-crop specific and CFIA approved organic microbial bio fertilizer to the global fertilizer market. The Soil Activator® product is certified organic, and the biological technology used in its manufacturing is considered as one of the last frontiers in sustainable agriculture. Soil Activator® is currently being evaluated and rolled out for large scale use, in organic and non-organic farming operations from Africa to Latin America, on wide ranging types of crops.

The Agriculture segment is cyclical in terms of seasons. The Corporation aims to avoid dependency on these cycles by exporting to various regions of the world.

For both Segments, EACT's sales objectives for the coming years will require significant demand on raw materials to produce its various product formulations. Variations in commodity prices at several levels of its supply chain may affect EACT's ability to meet product demand in multiple global markets. Also, a majority of revenues for both sectors are expected to be in $US dollars. Much of the materials for these revenues are expected to be in $US dollars, gross margins may fluctuate when presented in Canadian dollars.

Resources
Selling the Company's two main technologies in dust suppression and agriculture requires highly skilled and knowledgeable individuals in these respective fields. The Company has developed and possesses these skills internally. This expertise was developed over the last three years as the Company's technologies were being developed, and also acquired more expertise though the LFP acquisition and the hire of new highly skilled employees, namely a Chief Agronomist. For countries where the Company offers its products, it trains local agents and/or representatives on the Company's technologies to better serve the local clients. Elsewhere, the Company plans to license its technology platforms out to global industry market leaders.

The Company also has agreements in place with blenders who combine raw materials with the Company's ingredients in accordance with its proprietary formulae.

In December 2015, the Company entered into an exclusive distribution agreement with Brenntag Latin America (BLA), a subsidiary of Brenntag AG, the global leader in chemical distribution who is already the Company's exclusive partner for the Company's EA-1 Dust Suppression product in several countries. In the first quarter of fiscal 2016, the Company entered into a second exclusive agreement with Brenntag, for the distribution and sale of its Soil Activator™ product, a non-crop specific, patent-pending and organic-compliant microbial bio fertilizer. This new agreement opens up access to major high-value agricultural markets across Central and South America and the Caribbean.

Competitive environment
Both the dust suppression and agriculture segments are highly specialised and competitive. The Corporation believes it is well-positioned to enter and capture a portion of these markets because it has developed new, innovative, effective and economically viable technologies/products. There is a strong demand for such new technologies.

Recent History
The Company was founded on February 2, 2011.

During the fiscal year ended December 31, 2015, the Company completed three private placements through the issuance of 1,987,000 units at $0,15 each, for gross proceeds of $298,050, Each unit consisted of one common share and one common share purchase warrant entitling the holder to purchase one common share at $0.20, for a period of 24 months following the closing.

Also during the fiscal year ended December 31, 2015, the Company issued a total of 631,500 shares for proceeds of $63,150 with respect to 631,500 agent options that were exercised at a price of $0.10 per share.

Effective May 11, 2015, the Company acquired 100% of the shares of Earth Alive Chile SpA, ("Chile SpA"), for $3,022 in cash. The acquisition of Chile SpA is in line with the Company's strategy to expand its presence in South and Central America. Chile SpA has been fully consolidated from the date of acquisition.

On July 15, 2015 the Company completed a non-brokered private placement with proceeds of $1,650,000 in the form of unsecured convertible debentures that have a maturity date three years following the date of issue. The debentures pay 12% interest per annum, payable semi-annually and are convertible into common shares of the Company at the option of the holder, on the basis of $0.20 per share for the first and second year and $0.30 per share thereafter. The Company has the option to convert the debentures at all times if the share price reaches $0.40 for ten consecutive trading days.

On July 15, 2015, the Company issued 6,000 common share purchase warrants which have a term of three years, each entitling the holder to purchase one common share at $0.20 for the two years of the term or $0.30 for the remainder of the term.

On July 31, 2015, the Company issued 2,083,333 shares at a value of $250,000 or $0.12 per share, in payment of the first portion of the contingent consideration payable resulting from the acquisition of LFP.

On September 11, 2015 the Company granted 250,000 options to it investor relations advisors. The options have an exercise price of $0.16, have a three-year life and vest equally over four quarters beginning in December 2015. The fair value of the options was estimated using a Black-Scholes pricing model based on a volatility of 142.29%, risk-free rate of approximately 0.793%, expected lives of five years and no dividend yield. $8,318 was recorded as stock based compensation expense in 2015.

On October 5, 2015 the Company granted 600,000 options to thee employees. The options have an exercise price of $0.25, have a five-year life and 300,000 are immediately exercisable and the remainder will vest over a period of two years. The fair value of the options was estimated using a Black-Scholes pricing model based on a volatility of 142.04%, risk-free rate of approximately 0.821%, expected lives of five years and no dividend yield. $79,418 was recorded as stock based compensation expense in 2015.

On October 20, 2015 the Company granted 300,000 options to a director. The options have an exercise price of $0.27, have a five-year life and 100,000 are immediately exercisable and the remainder will vest over a period of two years. The fair value of the options was estimated using a Black-Scholes pricing model based on a volatility of 140.34%, risk-free rate of approximately 0.925%, expected lives of five years and no dividend yield. $32,945 was recorded as stock based compensation expense in 2015.

On February 26, 2016 the Company completed a non-brokered private placement, for gross proceeds of $1,513,400 through the sale of 4,324,000 units, priced at $0.35 each. Each unit consisting in one common share and one half (½) of one common share purchase warrant. Each full warrant entitling the holder to purchase one common share of Earth Alive, at the price of $0.45, for a period of 18 months.

During the first quarter ended March 31, 2016, the Company issued a total of 229,000 shares for proceeds of $22,900 with respect to 229,000 agent options that were exercised at a price of $0.10 per share. In addition, 15,000 shares for proceeds of $3,000 were issued resulting from 15,000 warrants that were exercised a price of $0.15 per share.

During the second quarter ended June 30, 2016, the Company issued a total of 312,000 shares for proceeds of $31,200 with respect to 312,000 agent options that were exercised at a price of $0.10 per share.

During the third quarter ended September 30, 2016, the Company issued 250,000 shares for proceeds of $42,500 for options exercised at a price of $0.17 per share. In addition, 885,714 shares were issued in settlement of the Contingent Consideration Payable for the LFP acquisition totaling $310,000.

During the fourth quarter ended December 31, 2016, the following common shares were issued:

i. 8,250,000 common shares upon the conversion of all outstanding convertible debentures for an amortized value of $1,580,130;
ii. 6,000 common shares upon exercise of 6,000 agent options at an exercise price of $0.20 per share;
iii. 300,000 common shares upon exercise of stock options at an average exercise price of $0.21.
iv. 4,568,667 common shares upon exercise of share purchase warrants at an exercise price of $0.20 per share.

During the first quarter ended March 31, 2017, the Company issued 100,000 common shares following the exercise of share purchase warrants at an exercise price of $0.20 per share.

In April 2017, the Company issued 1,050,000 common shares upon exercise of share purchase warrants at an exercise price of $0.20 per share.

Selected financial information:

	Three months ended March 31,			Year ended December 31,	
In dollars	**2017**	2016	2016	2015	2014
Revenue	**133,303**	62,493	957,733	1,356,540	355,583
Gross Margin	**19,371**	13,324	407,684	596,047	136,604
Net loss	**(612,830)**	(498,981)	(2,386,801)	(1,880,901)	(2,883,151)
Per share – basic	($0.006)	($0.005)	($0.025)	($0.021)	($0.041)
Per share - fully diluted	($0.006)	($0.005)	($0.025)	($0.021)	($0.041)

	As at March 31,			As at December 31,	
	2017	2016	2016	2015	2014
Total assets	**2,028,317**	3,085,314	2,538,452	2,397,412	2,024,191
Total liabilities	**315,945**	1,735,442	240,811	2,057,792	858,204
Equity	**1,712,372**	1,349,872	2,297,641	339,620	1,165,987

Outlook

The Company is still in the early stages of commercialization. It is focused on securing additional clients throughout the world for its dust control product now Ecocert approved and for its Soil Activator agriculture product, also Ecocert approved, and now registered with the Canadian Food and Inspection Agency for use as a fertilizer in Canada. Management believes that the near to mid-term outlook for substantial product orders are favorable.

Quarterly Results

Comparison of the three months ended March 31, 2017 and 2016

During the three months ended March 31, 2017, EACT incurred a net loss $612,830 of compared to a net loss of $498,181 for the same period last year. Total operating expenses for the period stood at $626,592 compared to $587,559 for the same period in 2016. Net financial income stood at $11,970 in the first quarter of Fiscal 2017 compared to a net financial income of $66,249 for the corresponding period last year, due to the accretion expense related to both the convertible debentures and the LFP acquisition being nil, and from the interest expense on the convertible debentures also being nil.

Revenues and gross margin

Revenues increased by approximately $70,810 in the three months ended March 31, 2017 compared to the same period in 2016. Revenues for both periods were from the Agriculture sector, the majority came from the highly competitive lower margin retail sector. Fixed costs represented a lower proportion of cost of goods sold in 2017 versus 2016.

Expenses

General and administrative

General and administrative expenses increased in the first quarter of 2017 to $218,299 compared to $203,365 in 2016. General and administrative expenses included $17,827 in stock trading costs compared to $14,727 for the same period last year. Salaries and benefits accounted for $77,814 in costs compared to $51,652 last year, as a greater percentage of certain individuals was allocated to General and administrative costs versus last year. General office expenses amounted to $24,478 compared to $21,770 for the same period last year. Professional fees amounted to $71,106 compared to $70,197 for the same period last year.

An amount of $117,508 was allocated to the Agriculture sector as the majority of these costs are allocated according to revenue. This compares to $124,584 last year where all revenues were also in the Agriculture sector. No amounts pertaining to operations in Chile of were allocated to the Dust suppression sector compared to $17,049 in 2016 which did not have any Chilean operations in them. Finally, $22,002 were not allocated as they pertained to stock based compensation for non-executive directors and to stock trading costs.

Sales and marketing

Sales and marketing expenses in the first quarter of 2017 decreased to $344,758 compared to $356,435 in the first quarter of 2016.

Costs incurred in the first quarter include stock based compensation of $547 and compensation costs of $143,294, for a total of $143,841 compared to $186,455 for the same period last year. Amortization expense for the quarter decreased to $3,450 compared to $36,450, as a non-competition agreement has now been fully amortized. In addition, $55,116 ($36,687 – 2016) was incurred for sales and marketing consulting services while advertising and promotion amounted to $44,627 compared to $26,429 last year. Lastly, travel and living costs for the quarter amounted to $85,700 compared to $74,021 for the same period last year.

Sales and marketing expenses related to the Agriculture sector amounted to $200,048 compared to $213,537 for the first quarter in 2016. As for Dust suppression, $144,710 was allocated to the Dust suppression sector compared to $142,898 last year.

Research and development

For the three months ended March 31, 2017, Research and development costs increased to $63,535 compared to $27,759 for the first quarter of 2016. Research and development work, combined with fees, patents maintenance and registration of products costed $55,215 during the three months ended March 31, 2017 compared to $22,503 for the first quarter of 2016. The stock based compensation charge for the quarter was $1,175, compared to $1,367 for the same period last year. Amortization expense for the quarter increased to $7,445 compared to $3,889 last year.

Financial income and expenses

Financial income, excluding foreign exchange gains and losses, amounted to $19,972 for the first quarter of 2017 compared to $168,181 last year as the period covering the contingent consideration payable for the LFP acquisition has lapsed.

Financial expenses, excluding foreign exchange gains and losses, for the first quarter of 2017 decreased to $8,002 from $77,524 for the same period last year. The decrease results from the accretion expense related to both the convertible debentures and the LFP acquisition being nil, and from the interest expense on the convertible debentures also being nil.

Liquidity and Capital Resources

At March 31, 2017, EACT had working capital amounting to approximately $957,000, compared to $1,519,000 at December 31, 2016. The decrease is largely due to a decrease in cash, trade and accounts receivable and inventory accompanied by an increase in trade and accounts payable.

EACT's main objectives in managing its capital resources are to ensure liquidity and to have funds available for working capital, capital asset purchases or other investments to support the business. Our capital resources consist of cash and share capital. Management may need to raise additional financing in the short term depending on its ability to generate cash from sales activities, on which it is focused in order to reach a positive cash flow position.

The Company incurred a cash loss from operations of approximately $593,000 (2016 - $474,000) for the three month period ending March 31, 2017. The Company's cash resources stood at approximately $967,000 representing approximately 5 months in cash operating expenses based on those incurred in the first quarter of Fiscal 2017, assuming no revenues for the year.

There is no assurance that EACT will achieve a positive cash flow position before it requires additional funding and will be able to raise sufficient capital to fund its operations through the sale of its securities or debt obligations on terms favourable to it.

Commitments

The Company's significant commitments consist of its office space lease as described in Note 14 to the condensed consolidated interim financial statements for the three months ended March 31, 2017. On April 1, 2017, the Company entered into a new three-year lease for its office and warehouse space.

Related Party Transactions

Compensation of Key Management Personnel – The Company considers its directors and executives to be key management personnel. Key management personnel compensation for the three months ended March 31, 2017 consisting of stock based compensation, consulting fees, salaries and benefits are as follows:

In dollars	**Three months ended March 31,**	
	2017	**2016**
Salaries and benefits	**120,803**	117,007
Sales commissions	**-**	-
Consulting fees	**39,746**	28,996
Stock based compensation	**5,269**	7,637
Total	**165,818**	153,640

Financial Instruments

The fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as those derived from prices.
- Level 3 inputs are unobservable inputs for the asset or liability.

There have been no changes in the classification of financial instruments in the fair value hierarchy since December 31, 2016.

a) Fair value of financial instruments

Financial instruments of the Company consist of cash and cash equivalents, accounts receivable, accounts payable, due from shareholder. The Company has determined that the carrying value of its short-term financial assets and liabilities approximates their fair value due to the short-term maturity of these financial instruments (classified as Level 1).

b) Assets and liabilities measured at fair value on a recurring basis

As at March 31, 2017, there are no Company asset or liability recorded at fair value on a recurring basis.

SELECTED QUARTERLY FINANCIAL DATA

The following table sets out selected unaudited financial information of the Company for the last eight quarters:

In Dollars	Mar. 31, 2017	Dec. 31, 2016	Sep. 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015	Sep. 30, 2015	Jun. 30, 2015
								Restated
Revenue	**133,303**	218,174	433,900	243,166	62,493	464,966	255,087	549,980
Gross Margin	**19,371**	125,209	166,442	102,709	13,324	252,712	93,836	222,071
Operating Expenses	**626,592**	721,365	567,308	587,086	587,559	865,614	530,794	582,734
Financial (Income) Expenses	**11,970**	23,068	81,498	311,357	(66,249)	36,596	35,660	46,677
Comprehensive loss	**621,830**	(621,380)	(479,935)	(788,140)	(498,444)	(628,271)	(396,610)	(397,535)

SIGNIFICANT ACCOUNTING POLICIES

The information is provided in Note 2 to the audited consolidated financial statements for the year ended December 31, 2016.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated interim financial statements and reported amounts of revenues and expenses during the three-month period ended March 31, 2017. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Please refer to Note 3 of the audited consolidated financial statements for the year ended December 31, 2016 for an extended description of the information concerning the Company's significant judgements, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses.

FUTURE ACCOUNTING POLICIES

The information is provided in Note 4 to the Audited Consolidated Financial Statements for the year ended December 31, 2016.

Internal controls

Management is responsible for ensuring that processes are in place to provide them with sufficient knowledge to support that disclosures are fairly presented with no material misrepresentations. Readers should be aware that inherent limitations on the ability of a venture issuer to design and implement on a cost effective basis disclosure controls and procedures and internal control over financial reporting as defined in National Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim filings and the reports provided under securities legislation.

Business risk factors

As with all early commercialisation efforts, inherent risks still exist as to management's ability to get its products to market quickly enough, and in large volumes.

To date, EACT has no net earnings and has negative operating cash flows to date. Our ability to continue as a going concern and accomplish all of our future strategic plans is dependent upon obtaining additional financing or executing other strategic options, however, there is no assurance that the Company will achieve these objectives. There can be no assurance that we will be successful in raising additional investment capital, realizing assets, or achieving revenue to generate sufficient cash flows to continue as a going concern. As a result, there is significant risk regarding our ability to continue as a going concern.

EACT has relied on external sources of debt and equity to fund operations to date. Our ability to continue as a going concern will depend on management's ability to successfully execute its business plan and obtain additional financing until it achieves profitability and positive cash flow from operating activities.

EACT is subject to risks, events and uncertainties, or "**risk factors**", associated with being an enterprise with projects in the research and development stage. Such risk factors could cause reported financial information to not necessarily be indicative of future operating results or of future financial position. Management of EACT cannot predict all of the risk factors, nor can it assess the impact, if any, of such risk factors on their business or the extent to which any factor, or combination of factors, may cause future results or financial position to differ materially from either those reported or those projected in any forward-looking statements. Accordingly, historical financial information and forward-looking statements should not be relied upon as a prediction of future results.

Development companies face many and varied risks, many of which are the same industry risks faced by companies in the commercialization of biotechnology products. While EACT strives to manage such risks to the extent possible and practical, risk management cannot completely eliminate risk. The following **specific risk factors** are those the Company's management believes are most important in the context of the Company's business.

Capitalization and Commercial Viability

The Corporation may not have sufficient funds to carry out the completion of all proposed activities, and may have to obtain other financing or raise additional funds. The Corporation has limited financial resources, and there is no assurance that additional funding will be available to the Corporation to carry out the completion of all proposed activities. Although the Corporation has been successful in the past in obtaining financing through the sale of securities, there can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of its business plan.

Lack of Operating History

The Corporation has a very limited history of operations and must be considered a start-up. As such, the Corporation is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues.

Development Stage Business

EACT has only a limited history upon which an evaluation of its prospects and future performance can be made. EACT has a limited operating history, has never operated at a profit and there can be no assurance of its ability to operate at a profit. EACT's proposed operations are subject to all business risks associated with new enterprises. The likelihood of EACT's success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry, and the performance of its customers. There is a possibility that EACT could continue to sustain losses in the future. If EACT is unable to generate revenues or profits, investors might not be able to realize returns on their investment or keep from losing their investment.

Inadequacy of Funds

EACT has negative operating cash flow at March 31, 2017, and will continue to have negative operating cash flow until revenues increase. EACT currently has inadequate funds to fully develop its business and may need additional debt financing or other capital investment to fully implement their business plans. There is no assurance that such debt financing or other capital investment can be secured. Failure to obtain such financing on a timely basis could result in EACT being unable to fully develop its business and reduce or terminate its operations.

Dependence on Management

EACT's business is significantly dependent on their management team including outside management advisors and consultants. The loss of the Company's directors or senior officers, other employees, advisors, or consultants could have a material adverse effect on EACT.

Inability to Manage the Potential Growth of the Business

EACT's potential growth may place significant demands upon its personnel, management, and financial resources. There is no assurance that its current or proposed personnel, systems, procedures, and controls will be adequate to support its future operations, that EACT will be able to train, retain, motivate, and manage necessary personnel, or that its management will be able to identify, manage and exploit existing and potential strategic relationships and market opportunities. If EACT is unable to effectively manage any future growth, its business and financial condition could be adversely affected.

Key Personnel

EACT's success depends, in part, on its ability to attract and retain key scientific, technical, management, and operating personnel, including consultants and members of its Board of Directors. EACT needs to develop sufficient expertise and add skilled employees or retain consultants in areas such as research and development and marketing in order to successfully execute its business plan. EACT may be unable to attract and retain qualified personnel or develop the expertise needed in these areas. If EACT fails to attract and retain key personnel it may be unable to execute its business plan, or its business could be adversely affected.

Challenges to Commercial Production

EACT's sales objectives for the coming years will require significant demand on raw materials to produce its various product formulations. Variations in commodity prices at several levels of its production chain may affect EACT's ability to meet product demand in multiple global markets.

Competition

If EACT fails to compete effectively against larger, more established companies with greater resources, then its business may suffer. Competition in the market for EACT products is intense from larger, more established global players in the marketplace. Factors affecting competition include financial resources, research and development capabilities, and manufacturing and market expertise and resources. Competitors are expected to include major chemical and specialized biotechnology companies. Many of these companies will have financial, technical, and marketing resources greater than EACT's. These organizations may commercialize products that could compete directly or indirectly with EACT's products on their own or through joint ventures. In addition, EACT may be unaware of technologies or technologies that may be developed in the future that could adversely affect our perceived technical and competitive advantage.

Buyers' Preference & Spending Trends; Possible Fluctuations in Operating Results

EACT's operating results may fluctuate significantly from period to period as a result of a variety of factors; including purchasing patterns of its customer, competitive pricing, and general economic conditions. There is no assurance that EACT will be successful in marketing any of its products, or that the revenues from the sale of such products will be significant. Consequently, EACT's revenues may vary by quarter, and their operating results may experience fluctuations.

Return on Investment

There is no assurance that the Corporation will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. The inability to achieve such returns may hinder the Company's ability to raise additional funding.

The Market Price of the Common Shares May Be Subject to Wide Price Fluctuation The market price of the Common Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of EACT, divergence in financial results from expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company and its subsidiaries, general economic conditions, changes in raw material sources or resource estimates, legislative changes, and other events and factors outside of EACT's control. In addition, stock markets have, from time to time, experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Common Shares.

Dilution

Issuance of additional securities pursuant to future financing will result in dilution of the equity interests of persons who become shareholders of the Corporation under the Offering.

Dividends

The Corporation has not declared any dividends on the Common Shares since incorporation and does not anticipate paying any dividends on the Common Shares in the foreseeable future. Payment of any future dividends will be at the discretion of the Corporation's board of directors.

Issuance of Debt

From time to time, EACT may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed partially or wholly with debt, which may increase EACT's debt levels above industry standards. Neither EACT's articles nor its by-laws limit the amount of indebtedness that they may incur. The level of EACT's indebtedness from time to time could impair their ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

Product Liability

Marketing any of EACT's current or potential future products may expose EACT to liability claims arising from the use of these products. EACT cannot ensure that its current or future liability insurance, together with indemnification rights under any potential future license agreements and other collaborative arrangements, will be adequate to protect it against any claims and resulting liabilities. As EACT's business expands, it may be unable to obtain additional insurance on commercially reasonable terms. EACT may be subject to product liability lawsuits, and its insurance may be inadequate to cover potential damages. Therefore, EACT's financial condition and its reputation could be adversely affected if a product liability claim or recall exceeds insured amounts.

Government Regulation

If EACT is unable to comply with current or future government regulations of its products and production activities, EACT may be forced to discontinue production of current or future products. EACT is subject to federal, state, local, and foreign laws and regulations governing its products and production activities. Each product that is developed, produced, marketed, or licensed presents unique regulatory problems and risks. The problems and risks depend on the product type, its uses, and method of manufacture. For products used in human nutrition, EACT will be required to adhere to requirements published by the Canadian Food Inspection Agency regulations, United States Food and Drug Administration, ISO standards as required in Europe, and any other applicable standards. If it is unable to comply with these practices and procedures, EACT may be unable to produce its current or future products.

No Assurances of Protection for Patents, Proprietary Rights, or Trade Secrets

EACT relies on patents and trade secrets, which it has developed, licensed or acquired, or may develop in the future, to protect its proprietary technology and processes and maintain its competitive position. There can be no assurances that secrecy obligations will be honoured or that others will not independently develop similar or superior technology. The protection of proprietary technology through patents or claims of trade secret status has been the subject of increasing claims and litigation by various companies both in order to protect proprietary rights as well as for competitive reasons even where proprietary claims are unsubstantiated. The prosecution of proprietary claims or the defence of such claims is costly and uncertain given the uncertainty and rapid development of the principles of law pertaining to this area. EACT, in common with other firms, may also be subject to claims by other parties with regard to the use of technology information and data, which may be deemed proprietary to others.

Unanticipated Obstacles to Execution of the Business Plan

EACT's business plans may change significantly. EACT believes that its chosen activities and strategies are achievable in light of current economic and legal conditions with the skills, background, and knowledge of its principals, advisors, and consultants. EACT reserves the right to make significant modifications to any of EACT's stated strategies depending on future events.

Future Litigation

EACT may be subject to litigation arising out of its operations, although there currently are no such lawsuits. Damages claimed under such litigation may be material or may be indeterminate, and the outcome of such litigation may materially impact the Company's business, results of operations, or financial condition. While EACT will assess the merits of any lawsuit and defend itself accordingly, it may be required to incur significant expense or devote significant financial resources to defending itself against such litigation. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the Company's business.

Outstanding Securities data

The company has the following securities outstanding:

	As at March 31, 2017	As at May 26, 2017
Common shares	**109,579,381**	110,677,681
Stock options	**6,238,300**	6,190,000
Warrants	**3,212,000**	2,162,000
Agent options	**-**	-

Off-balance sheet arrangements

There are no off-balance sheet arrangements as of March 31, 2017.

Other Information

Additional information about the Company is available on SEDAR at www.sedar.com

Certification

This Management Discussion and Analysis was approved by the Board of Directors.

(s) Pierre M. Brault, CFO

Pierre M. Brault, CFO

May 26, 2017