MANAGEMENT DISCUSSION AND ANALYSIS FOR
EXTREME VEHICLE BATTERY TECHNOLOGIES CORP.
(formerly Global Elsimate Capital Corp.)

FOR THE THREE MONTHS AND NINE MONTHS ENDED October 31, 2020

Prepared as of December 30, 2020

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This discussion and analysis of financial position and results of operations is prepared as at December 30, 2020, should be read in conjunction with the unaudited interim consolidated financial statements for the three months and nine months ended October 31, 2020, of Extreme Vehicle Battery Technologies Corp. (formerly Global Elsimate Capital Corp.) (the "Company"). The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING INFORMATION

This Management's Discussion and Analysis may include forward-looking statements with respect to business plans, activities, prospects, opportunities and events anticipated or being pursued by the Company and the Company's future results. Although the Company believes the assumptions underlying such statements to be reasonable, any of the assumptions may prove to be incorrect. The anticipated results or events upon which current expectations are based may differ materially from actual results or events. Therefore, undue reliance should not be placed on such forward-looking information. A number of risks and uncertainties c1ould cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions in North America and internationally, (2) obtaining enough customers to create market, (3) market competition, (4) the risk that the Company does not execute its business plan, (5) inability to retain key employees, (6) inability to finance operations and growth, (7) the Company's ability to protect proprietary rights, and (8) other factors beyond the Company's control.

Forward looking statements speak only as of the date of this MD&A and actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based may not occur. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

OVERVIEW

Extreme Vehicle Battery Technologies Corp. (formerly Global Elsimate Capital Corp.) (the "Company") was incorporated under the laws of British Columbia on January 16, 2015. The Company's registered office is 1200 – 625 Howe St, Vancouver, BC V6C 2T6. The Company has two wholly-owned subsidiaries, GRT Technologies Inc. ("GRT"), which it acquired through a reverse merger pursuant to a plan of arrangement which closed on March 13, 2015, and 1Linx Ltd., which it acquired through a share purchase agreement which closed on January 5, 2018. Effective January 31, 2017, the Company dissolved its formerly wholly-owned subsidiary Global Remote Technologies, LLC, which it acquired on pursuant to a Membership Interest Purchase Agreement which closed on September 28, 2015.

The Company previously provided products and services for use in the oil and gas industry. Upon acquisition of 1Linx Ltd on January 5, 2018, the Company changed its principal business focus to providing services for application programming interface ("API") in regards to operator look-up, customer look-up, IP information and customer friendly user experience.

On February 12, 2015, a special meeting of the shareholders of GRT was held and the shareholders approved the Arrangement Agreement. On February 16, 2015, a final order was granted by the Supreme Court of British Columbia granting final approval of the Arrangement.

On March 13, 2015, the Company, GRT, and Planco completed the Arrangement whereby GRT and the Company exchanged securities on 1:1 basis, such that 30,747,658 common shares of GRT were exchanged by their holders for 18,448,596 Shares of the Company; Planco and the Company exchanged Company exchanged securities such that Planco issued 1,000 of its common shares to the Company and received in exchange a net of 180,000 Distribution Shares distributed to the Planco shareholders on a pro rata basis.

The Company received approval to list its common shares for trading on the Canadian Securities Exchange (CSE) and its common shares commenced trading on May 14, 2015 under the trading symbol “RGT”.

On June 2, 2015, the Company entered into a non-binding Memorandum of Understanding with Global Remote Technologies, LLC (formerly North American Energy Holdings, LLC), an LLC operating out of the State of Nevada, to develop and support oilfield and energy services to Mexican refineries and to pursue joint ventures within the Mexican oil and gas industry.

On September 18, 2015, the Company entered into a participation agreement with Steve Resendez (“Resendez”) and Rodney Upchurch (“Upchurch”) pursuant to the Purchase Agreement with Terra Recovery Systems, LLC (“Terra”). Pursuant to the participation agreement, the Company employed Resendez to assist in promoting, marketing, selling and/or leasing the Helix tool, in consideration for a 33 1/3% undivided interest in net profits from the Helix tools and salary of $7,500 per month. In addition, the Company provided Upchurch a 33 1/3% undivided interest in net profits from the Helix tools in consideration for $70,000 and the payment of one-half of Resendez’s salary until the Helix tools become profitable. The $70,000 payment is due upon receipt of Terra of the payment due under the purchase agreement from the Company, in which Upchurch’s share1holder loan will be repaid. The participation agreement has a term to December 31, 2030.

On September 28, 2015, the Company entered into a Membership Interest Purchase Agreement with Kane Smith, the President of the Company, whereby the Company agreed to purchase a 100% interest in Global Remote Technologies, LLC (“GRT LLC”), in consideration for $1. GRT LLC is in the business of providing services and technologies for the energy sector, including assisting customers with the construction and implementation of pipeline, refinery, power plant, and mechanical integrity projects, and offers its products and services to Mexican oil companies. GRT LLC’s scope of services range from project planning and estimating to surveying, development, construction management, safety and quality inspection, start-up, and commissioning and its team is dedicated to successfully converting conceptual plans to safe operating facilities based on the field engineering, construction management, and inspection skills of the field staff. The acquisition was deemed a business combination for accounting purposes and the consolidated financial statements include the results of operations of GRT LLC from the date of the acquisition onwards. Prior to being acquired, GRT LLC had generated revenue of approximately $1,050,000, and as at the acquisition date, GRT LLC had net assets of $302,243.

On December 28, 2016, the Company and Terra Recovery agreed to settle the previous Purchase Agreement via a sellback to Terra Recovery of the Helix assets. Pursuant to the Purchase Agreement dated December 28, 2016, the Company agreed to sell a 100% interest in the Helix tools, patents, all master service agreements, the products and the technology, in consideration for $52,692 (US$40,000), of which US$20,000 was to be paid in cash (received) and US$20,000 was received in the form of a promissory note due from Terra Recovery to the Company. At December 28, 2016, the net book value of the Helix-related assets was $254 (US$193), resulting in a gain on sale of assets of $52,438 (US$39,807). On January 31, 2017, the Company dissolved its formerly wholly-owned subsidiary, Global Remote Technologies LLC, which was solely incorporated for the purpose of carrying on the business of the Helix-related assets. As a result, the gain on sale of Helix assets was included in loss from discontinued operations.

On October 18, 2017, the Company appointed Kane Smith as the Chief Financial Officer (“CFO”) of the Company. Kane Smith’s appointment follows the resignation of Rebecca Kingery as the CFO of the Company.

On November 1, 2017, the Company appointed Akash Patel as the President of the Company and Kenneth C. Phillippe as the CFO of the Company. Akash Patel and Kenneth C. Phillippe’s appointment follows the resignation of Chris Dorris as the CEO of the Company and Kane Smith as the President and CFO of the Company.

On November 13, 2017, the Company appointed Neil Stevenson-Moore as the CEO of Global Remote Technologies Ltd.

On December 12, 2017, the Company entered into a Share Purchase Agreement (the “Agreement”) to acquire 1Linx Ltd. (“1Linx”), a private company incorporated in Ontario, Canada (the “Transaction”). 1Linx has a proprietary blockchain authentication platform and provides services for application programming interface (API) in regards to operator look-up, customer look-up, IP information and customer friendly user experience. Under the terms of the Agreement, the Company acquired all of the issued and outstanding common shares of 1Linx, such that 1Linx became a wholly-owned subsidiary of the Company, in exchange for the issuance by the Company of 3,600,000 common shares with a fair value of $3,660,000. In connection with the transaction, the Company issued 180,000 common shares with a fair value of $183,000 as a finder's fee, which has been expensed in the consolidated statement of comprehensive loss. The transaction closed on January 5, 2018.

On January 31, 2018, the Company was named as a defendant in a Supreme Court of British Columbia action commenced by DMG Blockchain Solutions Inc., which alleged that the Company had infringed a DMG copyright when it used materials in a slide deck presentation designed by DMG in its own presentation to potential investors. On March 29, 2018, a default judgment was entered in the action, with damages and costs to be assessed. Since such date, DMG and the Company have been working toward a settlement respecting the action and the Company announced on May 25, 2018, that the terms of a settlement have been agreed upon. The terms of the settlement are confidential and provide that the Company will make a $35,000 cash payment to DMG.

On April 5, 2018, the Company changed its name from Global Remote Technologies Ltd to Cryptobloc Technologies Corp. and received approval to list its common shares for trading on the Canadian Securities Exchange (CSE) and its common shares commenced trading on April 9, 2018 under the trading symbol "CRYP".

On May 19, 2018, the Company granted 450,000 stock options to certain officers, directors and consultants, which are exercisable at $0.317 per share for a period of five years.

On May 25, 2018, Akash Patel resigned as the President and director of the Company.

On June 6, 2018, the Company closed a non-brokered private placement of 18,000,000 units of the Company at $0.25 per unit for gross proceeds of $4,500,000. Each unit consists of one common share and one common share purchase warrant with each warrant entitling the holder to purchase one common share at a price of $0.417 for a period of two years.

On June 8, 2018, the Company appointed two new independent directors, Anthony Richards and Vic Shroff, to its board of directors and audit committee, who subsequently resigned on June 29, 2018.

On June 28, 2018, the Company's stock was halted by the Canadian Securities Exchange (the "CSE"). The CSE has requested information relating to certain consulting agreements previously entered into by management of the Company. The Company has also received orders to produce information from the British Columbia Securities Commission (the "BCSC") with respect to the private placement completed on June 6, 2018 and consulting agreements entered into with participants of the private placement.

On June 28, 2018, Robert Abenante was appointed as the Chief Executive Officer and director of the Company, in lieu of Neil Stevenson-Moore who resigned as the Chief Executive Officer of the Company.

On July 4, 2018, Kent McParland was appointed as Chief Financial Officer and director of the Company, in lieu of Kenneth C. Phillippe who resigned as Chief Financial Officer and director of the Company. On the same day, Cameron Paddock was appointed as a director of the Company.

On November 26, 2018, the British Columbia Securities Commission issued a temporary order which centers around share issuances by 11 CSE issuers to a large group of consultants between February 2018 and August 2018. The Company has been named as one of the eleven issuers as they have ongoing relationships with certain members listed in the group of respondents and certain of the respondents participated in a private placement for the Company earlier this year.

On December 11, 2018, the Canadian Securities Exchange removed the trading halt imposed on the Company on June 28, 2018.

On January 11, 2019, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidation share for each 10 pre-consolidation common shares. No fractional shares were issued. All fractional shares resulting from the consolidation were rounded up or down to the nearest whole number. All share figures and references have been retroactively adjusted to reflect the share consolidation.

On January 16, 2019, the British Columbia Securities Commission ("BCSC") has extended a temporary order that it imposed on a group of public companies and many individuals in December 2018 for abusive share issuances.

For the year ended January 31, 2019, the Company did not file its audited year-end financial statements within the prescribed period. The Company has applied to and received from the British Columbia Securities Commission a Management Cease Trade Order ("MCTO") on June 3, 2019 allowing the Company's Securities to continue to trade while the Company completes its Financial Statement filings. The Company filed its annual filings on August 2, 2019 and the MCTO was lifted on August 9, 2019 and revocation order has been issued.

On March 29, 2019, Kent McParland stepped down as Chief Financial Officer and Director of the Company. Mr. McParland was replaced by Tjalling DeJong as a Director of the Company. Robert Abenante assumed the role of Interim Chief Financial Officer until a replacement is sourced for the role.

On January 22, 2020, the Company accepted the resignation of Robert Abenante as Chief Executive Officer, Interim Chief Financial Officer and Director. The Company appointed Mr. Bryson Goodwin as Chief Executive Officer, Interim Chief Financial Officer and Director the same day.

As January 31, 2020, the directors of the company were Bryson Goodwin, Cedric Wilson, and Tjalling DeJong.

On January 31, 2020, the Company changed its name to Global Elsimate Capital Corp. and the Company's shares began trading on the Canadian Securities Exchange ("CSE") under the Company's new stock trading symbol "GECC" on February 6, 2020.

On February 14, 2020, the Company closed a non-brokered private placement of 150,000,000 units of the Company at $0.005 per unit for gross proceeds of $750,000. Each unit consists of one common share and one common share purchase warrant with each warrant entitling the holder to purchase one common share at a price of $0.008 for a period of three years.

On May 29 2020, the Company closed a non-brokered private placement of 60,000,000 units at a price of $0.008 per unit. Each unit consists of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.017 for a period of three years.

On August 13, 2020, the board of directors approved the issuance of 4,200,000 stock options to the Company's officers and directors, and one consultant, at an exercise price of $0.01. The options are subject to a vesting period of 25% immediately, 25% in two months, 25% in four months, and the final 25% in six months. The options are set to expire on August 14, 2023.

On August 14, 2020, the Company completed a non-brokered private placement of 22,200,000 units at $0.008 per unit for total gross proceeds of $185,000. Each unit consists of one common share and one- half of one common share purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of $0.017 for a period of three years. The Company paid a finder's fee of 720,000 shares for a total value of $6,000, for certain subscribers of the private placement. In addition to the private placement, the Company settled $150,000 in debt owing to Bryson Goodwin (CEO), by issuing Mr. Goodwin 18,000,000 units at a price of $0.008 per unit. Each unit consists of one common share and one-half of one common shares purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of $0.017 for a period of three years

On September 23, 2020 the name of the Company changed to Extreme Vehicle Battery Technologies Corp. from Global Elsimate Capital Corp. The Company's shares are listed on the Canadian Securities Exchange (the "Exchange") under the symbol "ACDC" (formerly "GECC").

On September 29, 2020, the Company appointed Victor Hiu-Fai Ho to the board of the directors.

On October 6, 2020, the Company split its issued and outstanding shares on the basis of one (1) pre-split share for six (6) post-split shares. All share figures and references have been retroactively adjusted to reflect the share split.

On October 30, 2020, the Company issued 8,000,000 common shares at $0.0125 per share to Intelligent Battery Technologies Ltd. for part of the license acquisition fees.

As at October 31, 2020, the directors of the Company are Bryson Goodwin, Cedric Wilson, Tjalling DeJong, and Victor Hiu-Fai Ho.

SUMMARY OF ANNUAL INFORMATION

The following table sets forth selected financial information of the Company which has been derived from the consolidated financial statements of the Company for the years ended January 31, 2020, 2019, and 2018.

	Year ended January 31, 2020	**Year ended January 31, 2019**	**Year ended January 31, 2018**
Total Revenue	$20,066	$77,286	$76,117
Total Expenses	$762,423	$4,992,570	$2,385,761
Net Loss – Continuing Operations	$750,726	$8,655,674	$3,517,605
Net Loss – Discontinued Operations	$Nil	$Nil	$Nil
Net Loss Per Share – Continuing Operations	$0.08	$1.07	$0.77
Net Loss Per Share – Discontinued Operations	$Nil	$Nil	$Nil
Total Assets	$152,699	$31,030	$4,174,471
Total Long-term Financial Liabilities	$Nil	$Nil	$Nil
Cash Dividends Declared per Share	$Nil	$Nil	$Nil

During the year ended January 31, 2020, the net loss from continuing operations was $750,726 (2019 - $8,655,674). The decrease in net loss is mainly attributable to a decrease in consulting fees.

During the year ended January 31, 2019, the net loss from continuing operations was $8,655,674 (2018 - $3,517,605). The increase in net loss is mainly attributable to an increase in consulting fees and write-offs of goodwill and receivables.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial information as prepared in Canadian dollars under International Financial Reporting Standards derived from the Company's most recently completed fiscal quarters since inception:

	October 31, 2020 $	**July 31, 2020 $**	**April 30, 2020 $**	**January 31, 2020 $**
Total Assets	1,248,278	290,486	552,372	152,699
Working Capital (Deficiency)	(1,378,776)	(872,961)	(774,425)	(1,308,768)
Revenue	-	-	-	(705)
Net Loss – Continuing Operations	(405,021)	(599,168)	(192,247)	(167,411)
Loss per Share – Continuing Operations	(0.00)	(0.00)	(0.00)	(0.00)
	October 31, 2019 $	**July 31, 2019 $**	**April 30, 2019 $**	**January 31, 2019 $**
Total Assets	11,576	21,160	20,451	31,030
Working Capital (Deficiency)	(1,141,314)	(973,494)	(796,944)	(558,124)
Revenue	1,445	4,199	15,127	7,935
Net Loss – Continuing Operations	(167,731)	(175,979)	(239,605)	(206,801)
Loss per Share – Continuing Operations	(0.00)	(0.00)	(0.00)	(0.00)

Factors causing significant variations in quarterly results are as follows:

During the three months ended January 31, 2019, the Company earned revenue of $7,935, and incurred operating expenses of $214,736, comprised mainly of professional fees of $79,097, advertising expense of $58,360, foreign exchange loss of $12,414, and salaries and wages of $100,500. The Company recovered consulting fees of $52,524 during the period.

During the three months ended April 30, 2019, the Company earned revenue of $15,127, and incurred operating expenses of $254,732, comprised mainly of professional fees of $80,160, advertising expense of $34,863, and salaries and wages of $89,250.

During the three months ended July 31, 2019, the Company earned revenue of $4,199, and incurred operating expenses of $180,178, comprised mainly of professional fees of $40,819, advertising expense of $30,723, and salaries and wages of $78,750.

During the three months ended October 31, 2019, the Company earned revenue of $1,445, and incurred operating expenses of $169,176, comprised mainly of professional fees of $38,702, advertising expense of $28,328, and salaries and wages of $78,750.

During the three months ended January 31, 2020, the Company incurred a negative revenue (- $705), which was due to the recoding of adjustments from prior periods. The Company also incurred operating expenses of $158,337, comprised mainly of consulting fees of $2,849, advertising expenses of $23,575, professional fees of $42,696, office and general expense of $9,761 and salaries and wages of $78,750.

During the three months ended April 30, 2020, the Company earned revenue of $nil, and incurred operating expenses of $257,919, comprised mainly of professional fees of $57,584, advertising expense of $22,500, office and general expense of $14,900 and salaries and wages of $150,000.

During the three months ended July 31, 2020, the Company earned revenue of $nil, and incurred operating expenses of $599,168, comprised mainly of marketing and advertising expense of $375,750, professional fees of $56,584, office and general expense of $10,792 and salaries and wages of $150,000.

During the three months ended October 31, 2020, the Company earned revenue of $nil, and incurred operating expenses of $405,021, comprised mainly of consulting fees of $134,000, marketing and advertising expense of $27,500, professional fees of $127,156, share based compensation of $24,098, office and general expense of $17,324, and salaries and wages of $75,000.

CASH AND WORKING CAPITAL

As at October 31, 2020, the Company had working capital deficiency of $1,378,776. The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. The Company requires additional working capital to meet its primary business objectives over the next 12 months. Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the funding through future equity issuances and through short term borrowing in order to fund ongoing operations and to meet its obligations. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

LIQUIDITY

As at October 31, 2020, the Company held assets totaling $1,248,278 consisting of $173,348 in cash, $74,929 in accounts receivable, $1 in short-term investments, and $1,000,000 in intangible asset- technology license.

As at October 31, 2020, the Company had total liabilities of $2,067,054 comprised of $1,553,247 of accounts payable and accrued liabilities, $469,475 of due to related parties, and $4,332 income tax payable, and $440,000 long-term liabilities including $400,000 payable for license acquisition and $40,000 loan.

As at October 31, 2020, the Company had working capital deficit of $1,378,776 as compared to a working capital of $1,308,768 at January 31, 2020. During the nine months ended October 31, 2020, the Company was able to raise $1,435,000 (2019 - $nil) from the issuance of shares.

Readers are cautioned that a number of factors beyond the control of the Company could result in the Company not being able to sustain its current position. Such factors could include adverse economic conditions, political and regulatory concerns and key individual staffing problems amongst others.

CAPITAL RESOURCES

Cash used in operating activities during the nine months ended October 31, 2020 totaled $1,414,244 (2019 – $17,297), which was attributed to the loss during the nine months ended October 31, 2020 of $1,196,436 (2019 – $583,315) and the changes in the non-cash working capital items comprising an amortization of $nil (2019 – $1,148), interest expense of $nil (2019 – $656), share based compensation of $24,098 (2019 – $nil), write-off of notes payable of $43,108 (2019 – $nil), write-off of loan discount reserve of $22,564 (2019 – $nil), an increase in accounts receivable of $74,924 (2019 – $11), an increase in accounts payable of $838,690 (2019 –$14,324),increase in accounts payable decrease with net of $900,000 payable in share for license acquisition fees (2019 – $nil), an increase in debt settlement in share of $150,000 (2019 – $nil), an increase in loan of $40,000 (2019 – $nil), a decrease in due to related parties of $229,995 (2019 – an increase of $549,501).

Cash generated from financing activities during the six months ended October 31, 2020 totaled $1,435,000 (2019 – $nil). Cash generated from financing activities during the period ended October 31, 2020 were due to net proceeds from private placements.

The Company defines capital as the components of shareholders' equity. The Company's objectives when managing capital are to support further advancement of the Company's business objectives, as well as to ensure that the Company is able to meet its financial obligations as they come due. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended October 31, 2020 The Company is not subject to externally imposed capital requirements.

The Company has not issued dividends to date and has no plans to pay dividends in the foreseeable future.

TRANSACTIONS WITH RELATED PARTIES

a) On January 22, 2020, the Company accepted the resignation of Robert Abenante as Chief Executive Officer, Interim Chief Financial Officer and Director. The Company appointed Bryson Goodwin as Chief Executive Officer, Interim Chief Financial Officer and Director the same day.

   On September 29, 2020, the Company appointed Victor Hiu-Fai Ho to the board of the directors.

   As at October 31, 2020, the directors of the Company are Bryson Goodwin, Cedric Wilson, and Tjalling DeJong and Victor Hiu-Fai Ho.

b) During the nine months ended October 31, 2020, the Company incurred salaries and wages of $225,000 to the CEO, director and interim CFO of the Company (2019 - $236,250 to a former Officer). As at October 31, 2020,

$75,000 (January 31, 2020- $nil) remained outstanding to the CEO and $315,000 (January 31, 2020 - $498,750) wages and salaries to former officers and directors of the Company.

c) During the nine months ended October 31, 2020, the Company incurred salaries and wages of $nil (2019 - $10,500) to a former CFO and Director of the Company. As at October 31, 2020, $47,250 (January 31, 2020 - $47,250) remained outstanding and was included in due to related parties' amount.

d) During the nine months ended October 31, 2020, the Company incurred admin and consulting fees of $27,000 (2019 - $28,350) to a company controlled by a former officer and director of the Company. As at October 31, 2020, $3,150 (January 31, 2020 - $53,550) remained outstanding and was included in due to related parties' amount.

e) As at October 31, 2020, the Company owed $469,475 to related parties (January 31, 2020- $699,470). The Company owed $75,000 to the CEO (January 31, 2020 - $ nil), $345,450 to former officers and directors and companies controlled by them (January 31, 2020 - $650,445), this amount includes $315,000 in salaries (January 31, 2020 - $498,750), $3,150 in consulting and admin fees (January 31, 2020 - $53,550), $27,300 for rent (January 31, 2020 - $27,300), and $nil (January 31, 2020 – $70,845) in payable expenses. Also, an outstanding amount of $47,250 (January 31, 2020-$47,250) owing to a former CFO of the Company, and payable expenses of $1,775 (January 31, 2020-$1,775) owing to a former director of the Company, which is unsecured, non-interest bearing, and due on demand.

f) During the nine months ended October 31, 2020, the Company incurred occupancy costs of $nil (October 31, 2019 - $16,800) to a company owned by a former officer. As at October 31, 2020, $27,300 (January 31, 2020 - $27,300) remained outstanding and was included in the due from related parties' amount.

g) On August 13, 2020, the company granted 3,900,000 stock options to related parties includes 2,700,000 to the CEO and 1,200,000 to two directors (each 600,000), exercisable at $0.01 for a period of three years. The options are subject to a vesting period as follows, 25% upon grant day, 25% after 2 months, 25% after 4 months and 25% after 6 months. Fair value of options vested in the period ended October 31, 2020 amounting to $22,377 was recognized in the statement of loss and comprehensive loss.

h) The Company has identified the directors and senior officers as key management personnel. The following table lists the compensation costs paid directly or to companies controlled by key management personnel for the nine months ended October 31, 2020, and 2019.

	2020 $	2019 $
Salaries accrued to CEO and Director	225,000	236,250
Salaries accrued to former CFO and Director	-	10,500
Share based payment to CEO and Directors	22,377	-
	247,377	246,750

SHARE DATA

Capitalization as of October 31, 2020, and December 30, 2020:

The Company is authorized to issue an unlimited number of common shares.

The Company consolidated its issued and outstanding common shares on the basis of one post-consolidation share for each 10 pre-consolidation common shares on January 11, 2019. No fractional shares were issued. All fractional shares resulting from the consolidation were rounded up or down to the nearest whole number. All share figures and references were retroactively adjusted to reflect the share consolidation.

The Company has split its issued and outstanding common shares on the basis of one pre-split share for six post-split shares on October 6, 2020. All share figures and references have been retroactively adjusted to reflect the share split.

On February 11, 2020, the Company arranged a non-brokered private placement for total gross proceeds of up to $750,000. On February 14, 2020, the Company closed the private placement of 150,000,000 units of the Company at $0.005 per unit for gross proceeds of $750,000. Each unit consisted of one common share and one common share purchase warrant with each warrant entitling the holder to purchase one common share at a price of $0.008 for a period of three years.

On May 4, 2020, the Company arranged a non-brokered private placement for total gross proceeds of up to $500,000. On May 29, the Company closed the private placement of 60,000,000 units of the Company at $0.008 per unit for gross proceeds of $500,000. Each unit consisted of one common share and one half of one common share purchase warrant with each warrant entitling the holder to purchase one common share at a price of $0.017 for a period of three years.

On August 13, 2020, the board of directors approved the issuance of 4,200,000 stock options to the Company's officers and directors, and one consultant, at an exercise price of $0.01. The options are subject to a vesting period of 25% immediately, 25% in two months, 25% in four months, and the final 25% in six months. The options are set to expire on August 14, 2023.

On August 14, 2020, the Company completed a non-brokered private placement of 22,200,000 units at $0.008 per unit for total gross proceeds of $185,000. Each unit consists of one common share and one- half of one common share purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of $0.017 for a period of three years. The Company paid a finder's fee of 720,000 shares for a total value of $6,000, for certain subscribers of the private placement. In addition to the private placement, the Company settled $150,000 in debt owing to Bryson Goodwin (CEO), by issuing Mr. Goodwin 18,000,000 units at a price of $0.008 per unit. Each units consists of one common shares and one-half of one common shares purchase warrant with each whole warrant entitling the holder to purchase one common share at a price of $0.017 for a period of three years.

On October 30, 2020, the Company issued 8,000,000 common shares at $0.0125 per share to Intelligent Battery Technologies Ltd. for part of the license acquisition fees.

As at October 31, 2020 and December 30, 2020 there are 313,652,540 common shares issued and outstanding.

Stock Options

As at October 31, 2020 and December 30, 2020, there are 4,200,000 stock options outstanding.

Share Purchase Warrants

As at October 31, 2020 and December 30, 2020, there are 200,100,000 warrants outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that would require disclosure.

CRITICAL ACCOUNTING ESTIMATES

The Company's critical accounting estimates include the useful life and amortization of property and equipment and intangible assets, measurement of share-based payments, and deferred income tax asset valuation allowances.

Estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CHANGES IN ACCOUNTING POLICIES

The Company has adopted new accounting standard IFRS 9 - *Financial Instruments*, effective for annual periods beginning on or after February 1, 2018. The adoption of IFRS 9 did not result in any changes to the classification, measurement or carrying amounts of the Company's existing financial instruments on transition date. The new standard brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 - *Financial instruments: recognition and measurement*. The standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The Company continues to classify and measure its financial instruments at fair value through profit or loss with changes in fair value recognized in profit or loss as they arise ("FVTPL"), unless restrictive criteria regarding the objective and contractual cash flows of the instrument are met for classifying and measuring at either amortized cost or fair value through other comprehensive income. Cash, and accounts receivable continue to be recorded at FVTPL. Accounts payable, amounts due to related parties, and notes payable are classified and measured as financial liabilities, initially at FVTPL, and subsequently at amortized cost using the effective interest rate method.

The Company has adopted new accounting standard IFRS 15 - *Revenue from Contracts with Customers*, effective for annual periods beginning on or after February 1, 2018 using the retrospective method of adoption. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. The Company generates revenue from providing application programming interface ("API") services to its customers. The Company has reviewed its sources of revenue from proving API services using the guidance found in IFRS 15 and determined that there are no material changes to the timing and measurement of the Company's revenue from these sources as compared to the previous standards.

IFRS 16, Leases ("IFRS 16")
IFRS 16 was issued on January 13, 2016 and replaces the current guidance in IAS 17, *Leases* ("IAS17"). IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from IAS 17. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted. The Company does not expect the impact of such changes on the financial statements to be material, unless otherwise stated.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

FINANCIAL AND OTHER INSTRUMENTS

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash. The Company does not trade financial instruments for speculative purposes. The Company does not have a risk management committee nor written risk management policies. The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at October 31, 2020, as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, October 31, 2020 $
Cash	173,348	–	–	173,348

The fair values of other financial instruments, which include accounts receivable, short-term investment, accounts payable, notes payable, and amounts due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and accounts receivable. The Company limits exposure to credit loss by placing its cash with high credit quality financial institutions. The Company performs ongoing credit evaluations, does not require collateral and establishes an allowance for doubtful accounts based on the age of the receivable and the specific identification of receivables the Company considers at risk. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has exposure to currency risk from assets and liabilities denominated in US dollars. The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk. However, management believes that the risk from fluctuations in foreign exchange rates is not significant.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations with cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Liquidity risk is assessed as high.

(e) Classification of financial instruments

Financial assets and liabilities included in the consolidated statement of financial position are as follows:

	October 31, 2020 $	January 31, 2020 $
Financial assets classified as fair value through profit or loss:		
Cash	173,348	152,698
Loans and receivables:		
Accounts receivable	74929	-
Non-derivative financial liabilities:		
Trade payables	1,553,247	714,557
Due to related parties	469,475	699,470
Notes payable	-	43,108
Income tax payable	4,332	4,332
Loan Payable	40,000	40,000
	2,067,054	1,461,467

SUBSEQUENT EVENTS

On November 10, 2020, the Company signed an agreement to supply Squamish EcoVille Ltd. dba EcoVille Ltd. ("EcoVille") with energy storage system (ESS), and electric vehicle (EV) charging solutions for EcoVille's carbon-neutral, self sufficient eco-community. For further details, refer to the Company's news release dated November 12, 2020.

On November 18, 2020, the Company signed a letter of intent to form a joint venture with Hillcrest Petroleum Ltd. ("Hillcrest"). The purpose of the joint venture will be for each party to contribute their respective clean energy intellectual property, technology, specialized technical capability and develop and management to develop and commercialize scalable, smart, renewable energy management systems to service the rapidly growing electric vehicle and energy storage solutions (ESS) markets. For detail please refer to the Company's news release dated November 18, 2020 on the Canadian Securities Exchange (the "Exchange" website under the symbol "ACDC".

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During the nine months ended October 31, 2020, the Company generated revenue of $nil from operations.

During the nine months ended October 31, 2020, the Company incurred marketing and advertising expenses of $425,750, consulting fees of $152,000, office and general expenses of $43,016, professional fees of $241,324, management fees of $nil, salaries and wages of $375,000, share-based compensation of $24,098, and a foreign exchange loss of $920.

DISCLOSURE OF INTERNAL CONTROLS

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited consolidated financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

IMPACT OF THE COVID-19 PANDEMIC

On January 30, 2020, the World Health Organization ("WHO") declared a Public Health Emergency of International Concern resulting from an outbreak of pneumonia cases from an unknown cause which originated in Wuhan, China. Over a week later, on February 11, 2020, the WHO then announced a name for this new disease called the coronavirus ("COVID 19"). And on March 11, 2020, the WHO declared COVID 19 to be a global pandemic and a worldwide health concern to all of humanity. As a result, governing countries and their leaders around the world acted to mitigate the spread of this virus by restricting travel, testing and quarantining symptomatic individuals, enforcing social distancing, closing schools and non-essential businesses and requesting residents to stay inside their homes. These measures have had a direct impact on the global and Canadian economy.

The Canadian government acted by testing and treating symptomatic individuals, enforcing social distancing, closing schools and non-essential businesses and requesting the community to stay inside their homes. Due to these measures taken, many businesses were forced to lay off staff, postpone contracts and work, request financial relief and defer payments to their financial lenders, landlords and stakeholders and to close their businesses altogether. The Federal government also responded by extending tax filing and payment deadlines and made available a wage subsidy to qualifying businesses to help provide some relief during this challenging time.

It is uncertain how long these COVID 19 conditions will last and what economic impact they will have on the company's business, ongoing cash flows and its ability to continue as a going concern.