FREQUENCY EXCHANGE CORP.
(FORMERLY ISRAEL CAPITAL CANADA CORP.)

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED JANUARY 31, 2022

1.1 Date

This Management Discussion and Analysis ("MD&A") of Frequency Exchange Corp. (formerly Israel Capital Canada Corp.) (the "Company") has been prepared by management as of March 30, 2022 and should be read in conjunction with the condensed interim financial statements and related notes thereto of the Company as at and for the three months ended January 31, 2022 and 2021, and the audited financial statements and related notes thereto of the Company for the year ended October 31, 2021 and 2020, which was prepared in accordance with International Accounting Standards using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC").

This MD&A contains forward-looking information which reflects management's expectations regarding the Company's growth, results of operation, performance and business prospects and opportunities. The use of words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", believe", outlook", "forecast" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements in this MD&A include, but not limited to, the Company's expectation of future activities and results, of its working capital needs and its ability to identify, evaluate and pursue suitable business opportunity. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results of events to differ materially from those anticipated in these forward-looking statements. Readers should not put undue reliance on forward-looking information.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

1.2 Over-all Performance

The Company was incorporated on August 15, 2019 under the Business Corporations Act (British Columbia). The Company was a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4 ("Policy 2.4") after completing its initial public offering on May 8, 2020. As a CPC, the Company's objective will be to identify and acquire either operating assets or a business, subject to regulatory approval, that meet the criteria of a Qualifying Transaction ("QT") as defined by the TSX-V.

On May 8, 2020, the Company completed its Initial Public Offering ("IPO") on the TSX-V by raising $200,000 through the issuance of 2,000,000 common shares of the Company at $0.10 per share. The Company's common shares were approved for listing on the TSX-V on May 8, 2020 and commenced trading effective May 12, 2020 under the symbol "IL.P".

On October 8, 2020, the Company entered into a letter of intent ("LOI") with Waveforce Electronics Inc. ("Waveforce") to acquire a consumer wellness enhancement membership program. On February 17, 2021, the LOI was mutually terminated by both parties.

On February 2, 2022, the Company completed the acquisition of all of the issued and outstanding securities of FREmedica Technologies Inc. ("FREmedica") (the "Transaction"). See *1.11 Qualifying Transaction*.

FREmedica is a wholly-owned subsidiary of Waveforce, a developer of light pulse frequency emitter platforms for different industries to assist in improving performance in people, plants and products. FREmedica was founded on November 5, 2016 for the purpose of creating a frequency emitter that delivers a special package of frequencies designed for the health and wellness market, specifically to target Lyme disease within North America.

Upon completion of the Transaction, the Company completed a name change from “Israel Capital Canada Corp.” to “Frequency Exchange Corp.”. The Company will continue the business which was previously conducted by FREmedica. The Company commenced trading on the TSX-V under the trading symbol “FREQ” on February 7, 2022.

In March 2020, the World Health Organization declared the COVID-19 coronavirus outbreak a pandemic, which continues to spread globally. As a CPC with no commercial operations, the COVID-19 pandemic has not had a significant impact on the Company’s routine operations or on the carrying value of its assets. However, the pandemic’s effect on broader capital markets may hinder the Company’s ability to complete a QT and to raise capital.

1.3 Selected Annual Information

	Year Ended October 31, 2021	Year Ended October 31, 2020	Date of Incorporation (August 15, 2019) to October 31, 2019
Net Loss	$ (97,826)	$ (116,581)	$ (5,383)
Loss per share	$ (0.03)	$ (0.08)	$ (0.00)
Total assets	$ 510,551	$ 434,818	$ 100,000
Total long-term liabilities	Nil	Nil	Nil
Cash dividends declared per share for each class of share	Nil	Nil	Nil

1.4 Results of Operations

Three months ended January 31, 2022

During the three months ended January 31, 2022, the Company reported a net loss of $7,268 compared to a net loss of $26,981 for the three months ended January 31, 2021, a decrease in loss of $19,713. The decrease in loss was primarily due to a decrease in legal fees of $20,750 offset by an increase in regulatory fees of $1,584.

1.5 Summary of Quarterly Results

The following is a summary of financial information concerning the Company for each of the last eight reported quarters.

Quarter ended	Loss	Loss per share
January 31, 2022	$ (7,268)	$ (0.00)*
October 31, 2021	$ (20,579)	$ (0.00)*
July 31, 2021	$ (3,365)	$ (0.00)*
April 30, 2021	$ (46,901)	$ (0.02)*
January 31, 2021	$ (26,981)	$ (0.01)*
October 31, 2020	$ (29,124)	$ (0.01)*

July 31, 2020	$	(32,901)	$	(0.01)*
April 30, 2020	$	(53,929)	$	(0.00)

* 4,000,000 seed shares issued to directors and officers of the Company prior to the completion of the IPO were placed into an escrow. The escrow shares are not included in the calculation of the weighted average number of common shares outstanding during the reporting period for the purpose of computing the loss per share

January 31, 2022 – lower loss as less professional services were rendered during the period.

October 31, 2021 – loss included accrued audit fees for the Company's fiscal 2021 audit.

July 31, 2021 – loss was lower as the Company did not incur any significant charges during the quarter.

April 30, 2021 – loss included an increase in legal and regulatory costs.

January 31, 2021 – loss included legal fees related to the Company's terminated QT.

1.6 Liquidity and Capital Resources

As at January 31, 2022, the Company reported a working capital of $2,545,271 (October 31, 2021 - $314,992) consisting of cash of $2,468,340 (October 31, 2021 – $390,565), GST recoverable of $1,237 (October 31, 2021 - $Nil), prepaid expenses of $Nil (October 31, 2021 - $910) and loan receivable of $125,442 (October 31, 2021 - $25,127) less trade payables and accrued liabilities of $43,808 (October 31, 2021 - $85,059) due to related parties of $5,940 (October 31, 2021 - $Nil) and subscriptions of $Nil (October 31, 2021 - $110,500).

During the three months ended January 31, 2022, the Company utilized $42,906 (2021 - $5,776) in operating activities. Investing activities included use of $143,754 (2021 - $Nil) on deferred costs in connection to the Company's QT and a loan to FREmedica. The Company generated $2,264,435 (2021 - $Nil) from its financing activities in connection to the private placement.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern and maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity of $2,682,659 at January 31, 2022 (2021 - $314,992).

The Company may continue to have capital requirements in excess of its currently available resources. The other sources of funds potentially available to the Company are through the exercise of outstanding stock options and share purchase warrants. *See item 1.15 – Other Requirements – Summary of outstanding share data.* In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing, subject to the TSX-V policies and approval.

There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

1.7 Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

1.8 Risk and Uncertainties

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk
Credit risk is the risk of loss arising from a customer or third party to a financial instrument failing to meet its contractual obligations. The Company limits exposure to credit risk by maintaining its cash with a major Canadian financial institution.

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's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

As at January 31, 2022, the Company had cash of $2,468,340 (October 31, 2021 – $390,565) which is sufficient to settle its current liabilities of $43,808 (October 31, 2021 - $85,058) and due to related party of $5,940 (October 31, 2021 - $Nil).

Pursuant to the policies of the Exchange, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or for administrative and general expenses. These restrictions apply until completion of the Company's QT as defined by Exchange Policy 2.4.

Effective January 1, 2021, the Exchange amended its Policy 2.4. Under the amended policy, a CPC may only incur expenses to operate its business to identify and evaluate assets or business for a proposed QT; reasonable expenses related to the CPC's IPO and prescribed costs of issuing the common shares and maintaining the CPC's regulatory requirements; and reasonable general and administrative expenses of the CPC not exceeding $3,000 per month.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company is not exposed to significant interest rate risk.

(b) Foreign currency risk
The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk
The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potentially adverse impact on the Company's ability to obtain equity financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual

equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

1.9 Transactions with Related Parties

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors and officers.

On July 1, 2020, the Company entered into an administrative services agreement with Varshney Capital Corp. ("VCC"), a company with a director in common, for administrative services provided to the Company for an initial term of 120 days or until the Company completes a QT in exchange for a monthly fee of $1,500 plus taxes. Upon completion of a QT, the monthly fee will increase to $5,000 plus taxes for a six-month term with a renewal option for an additional six months at a monthly fee of $7,500 plus taxes and thereafter on an annual basis until otherwise terminated.

During the three months ended January 31, 2021, the Company paid $4,725 (2021 - $4,725) for administrative fees to VCC.

As at January 31, 2022, $5,940 (October 31, 2021 - $Nil) was owed to a director for reimbursement of regulatory and professional fees paid on behalf of the Company.

1.10 Subsequent Events

Subsequent to January 31, 2022:

(a) On February 2, 2022, the Company completed the QT with FREmedica. See *1.11 Qualifying Transactions.*

(b) Granted an aggregate of 2,125,000 stock options at a price of $0.40 per share to directors, officers, employees and advisors to the board expiring February 8, 2024.

(c) Engaged Paradox Public Relations to provide investor relation services to the Company in exchange for $10,000 per month for a period of 36 months commencing on February 15, 2022 and a grant of 500,000 stock options at a price of $0.40 per share for a period of three years.

(d) Issued replacement warrants of 329,868 warrants at a price of $0.1944 per share expiring on April 12, 2023.to a director of the Company and a company wholly owned by a director and officer of the Company.

(e) Issued replacement warrants of 450,000 warrants at a price of $0.1944 per share expiring on June 1, 2022 to a company wholly owned by a director and officer of the Company.

1.11 Qualifying Transactions

The Transaction

Pursuant to the terms of the Securities Exchange Agreement, the Company acquired all of the issued and outstanding securities of FREmedica from FREmedica securityholders in exchange for 18,000,000 common shares in the capital of the Company (the "Payment Shares") and 1,427,868 warrants (the "Payment Warrants"), with each such Payment Warrant being exercisable into one common share at a price of $0.1944 per common share. Out of the 18,000,000 Payment Shares issued to Waveforce, the parent company of FREmedica, Waveforce distributed 6,000,000 Payment Shares to its shareholders as a dividend. Following the completion of the Transaction, the Company's issued and outstanding share capital consists of 36,579,553 Common Shares.

As at January 31, 2022, the Company has incurred an aggregate of $137,388 in deferred legal and regulatory fees in connection to the Transaction.

Debt Settlement
Concurrently with the closing of the Transaction, the Company settled outstanding shareholder loans provided by Waveforce to FREmedica in the amount of $1,465,000 through the issuance of 4,185,714 Common Shares (the "Debt Settlement Shares") at a deemed price of $0.35 per Debt Settlement Share.

Escrow
The 12,000,000 Payment Shares and 4,185,714 Debt Settlement Shares issued to Waveforce are subject to escrow in accordance with a Tier 2 value security escrow agreement dated February 2, 2022 (the "Escrow Agreement") with Olympia Trust Company acting as the escrow agent. In addition, 779,868 Payment Warrants issued to principals of the Company were also placed into escrow in accordance with the Escrow Agreement.

Management and Director Changes
The Company's board of directors now consists of five directors: Stephen Davis; Mary-Lynn Bellamy-Willms; Hari Varshney; Bradley Aelicks; and Dr. Keith Pyne. The management of the Company now consists of: Stephen Davis (Chief Executive Officer); Mary-Lynn Bellamy-Willms (President); and Hari Varshney (Chief Financial Officer and Corporate Secretary).

Private Placement
In connection with the Transaction, on January 20, 2022, the Company completed a non-brokered private placement (the "Private Placement") of 7,212,498 units (the "Units") at a price of $0.35 per Unit for aggregate gross proceeds of $2,524,374. Each Unit consists of one common share (each, a "Unit Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant allows the holder thereof to acquire one common share for a period of 24 months at an exercise price equal to $0.70 per share. The Unit Shares issued in connection with the Private Placement, including any common shares to be issued on exercise of the Warrants, are subject to a four month and one day hold period commencing from the date of issuance. The gross proceeds of the Private Placement will be used to further advance the business of the Company and for general corporate purposes.

In connection with the Private Placement, the Company paid a combined total of $145,642 in finder's fees and issued 416,119 finder's warrants (the "Finder's Warrants") to finders on certain of the Units sold from subscriptions introduced by such finders. Each Finder's Warrant will entitle the holder thereof to acquire one common share at an exercise price of $0.35 for a period of one year from the closing of the Private Placement.

1.12 Critical Accounting Estimates

Not applicable to venture issuers.

1.13 Changes in Accounting Policies including Initial Adoption

The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards. Our significant accounting policies are set out in Note 3 of the condensed interim financial statements of the Company, as at and for the three months ended January 31, 2022.

1.14 Financial Instruments and Other Instruments

The Company's financial instruments at January 31, 2022 are as follows:

		FVTPL		*Amortized cost*
Financial assets				
Cash	$	2,468,340	$	–
Loan receivable		–		125,442
Financial liabilities				
Trade payable and accrued liabilities		–		43,808
Due to related parties		–		5,940
	$	2,468,340	$	175,190

1.15 Other Requirements

Summary of Outstanding Share Data as of March 30, 2022:

Authorized: Unlimited number of common shares and preferred shares without par value.
Issued and outstanding: 36,579,553 (including 18,167,143 held in escrow)
Stock options outstanding: 3,085,000
Warrants outstanding: 4,386,117 (including 701,880 held in escrow)
Agent's warrants outstanding: 616,119

Additional disclosures pertaining to the Company's news releases, material change, prospectus, and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, thank you for your continued support.

"Stephen Davis"

Stephen Davis
President, CEO, and Director