

**YNVISIBLE INTERACTIVE INC.**  
(formerly Network Exploration Ltd.)

**MANAGEMENT DISCUSSION AND ANALYSIS**

**YEAR ENDED NOVEMBER 30, 2017**

**1.1 Date of Report: March 29, 2018**

The following management discussion and analysis (“MD&A”) of the financial position and results of operations for Ynvisible Interactive Inc. (the “Company” or “Ynvisible”) (formerly Network Exploration Ltd.) should be read in conjunction with the financial statements and the notes thereto for the year ended November 30, 2017. Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian dollars. Additional information relevant to the Company’s activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

**1.2 Overall Performance**

Ynvisible Interactive Inc. is a public company listed on the TSX Venture Exchange under the trading symbol “YNV”. On January 11, 2018, the Company changed its name from Network Exploration Ltd. to Ynvisible Interactive Inc. and on January 19, 2018 (see news releases dated January 19, 2018) the Company completed its previously announced RTO transaction with YD Ynvisible SA (“YD Ynvisible”) whereby it acquired 94.19 percent of its issued and outstanding common shares.

YD Ynvisible aims to be a leading company in the emerging printed electronics sector. It is a private company incorporated under the laws of Portugal with assets located in Portugal.

Printed electronics use new materials with electronic properties that are processable into inks and can be printed into thin layers (using conventional print house equipment) onto flexible materials, such as plastic and paper.

YD Ynvisible's proprietary electrochromic displays are the face of every smart label they produce. YD Ynvisible's displays use almost no power. They are ultralow weight, microscopically thin, flexible, yet robust. When combined with various sensors, they bring functionality and life to smart products. Given the cost and power-consumption advantages over conventional electronics, printed electronics are a key enabler of mass adoption of the Internet of Things. Electrochromics-based smart labels offer simple, non-obtrusive human interfaces to smart IoT objects.

YD Ynvisible's mix of services, materials and technology is a unique combination, which is winning favour among brand owners developing their IoT products for a huge market in its infancy. Since YD Ynvisible's displays are printed, product designers can easily adapt electrochromics to the desired product design and required user experience.

The address of the Company’s head office and principal place of business is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, and the registered and records office is located at 1500 – 1005 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7. The Company maintains a website at [www.ynvisible.com](http://www.ynvisible.com).

The Company’s ability to continue as a going concern, to fund its technology development and market development and to ensure adequate working capital is dependent upon achieving profitable operations or upon obtaining sufficient additional financing. These factors may cast significant doubt on the Company’s ability to continue as a going concern. While the Company is expending its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

### Share Consolidation

On January 20, 2016, the Company consolidated its common shares (the “Shares”) on the basis of one post-consolidated common share for every four pre-consolidated Shares held (the “Consolidation”). The Consolidation was approved by shareholders of the Company at the Company’s Annual and Special Meeting held on December 17, 2015.

On December 3, 2017, the Company consolidated its common shares (the “Shares”) on the basis of one post-consolidated common share for every two pre-consolidated Shares held (the “Consolidation”). The Company had 4,932,273 common shares issued and outstanding following the Consolidation. All references to the number of common shares and per share amounts prior to December 3, 2017 have been retroactively restated to reflect this consolidation.

### Private Placement

On April 4, 2016, the Company closed a non-brokered private placement issuing 5,427,000 shares at a price of \$0.10 per share for gross proceeds of \$542,700. No finder’s fees were paid in relation to this private placement. All securities issued under the Offering are subject to a statutory hold period ending on August 5, 2016 in accordance with applicable Canadian securities laws. The proceeds of the Offering will be used for general working capital.

On December 19, 2017, the Company closed a non-brokered private placement issuing 2,713,500 shares at a price of \$0.20 per share for gross proceeds of \$1,762,620. The Company paid finders a cash commission in the aggregate amount of \$88,092, being 6% of the aggregate proceeds from the sale of shares to purchasers introduced by the finders.

### 1.3 Selected Annual Information

The following data reviews the last three fiscal years and may be used for reference while reading this MD&A.

	Year Ending November 30,		
	2017	2016	2015
	\$	\$	\$
<b>Results of Operations</b>			
Total Revenues	-	-	-
Income (Loss) before write off	(173,407)	(216,969)	(199,215)
Net Income (Loss) including write off of mineral properties and deferred exploration costs, gain from debt settlement and asset write downs	(173,407)	(216,968)	(199,215)
Basic and Diluted income (Loss)	(0.04)	(0.05)	(0.07)
<b>Financial Position</b>			
Total Assets	94,361	225,598	34,093
Long Term Debt	-	-	-
Cash Dividends declared	-	-	-

## 1.4 Results of Operations for the year ended November 30, 2017

### General and Administrative Expenses

Year ended November 30, 2017

The Company's expenses during the year ended November 30, 2017 were significantly less than those of the year ended November 30, 2016. Loss from operations decreased by \$43,562 to \$173,407 (2016 - \$216,969). Key contributors to the change in operating costs are as follows:

- Marketing and promotion fees increased by \$2,254 to \$7,754 (2016 - \$5,000) due to the hiring of a marketing consultant in preparation for the Ynvisible transaction.
- Transfer and listing fees decreased by \$17,194 to \$40,400 (2016 - \$57,594). In the prior period, the Company paid additional fees associated with the consolidation of the Company's shares and financing activities.
- Travel decreased by \$2,144 to \$43,322 (2016 - \$45,466) as the Company was expending efforts on the RTO process in 2017 rather than searching for an RTO candidate.
- Consulting decreased by \$31,600 to \$26,000 (2016 - \$57,600) as the Company eliminated all consultants associated with sourcing an RTO candidate.
- Professional fees decreased by \$15,676 to \$25,724 (2016 - \$41,440) as the Company paid initial legal costs in 2016 associated with the Ynvisible RTO transaction.
- Interest expense rose by \$22,808 to \$25,488 (2016 - \$2,680) as the Company has had to borrow funds to cover operating costs (see note 6 in the accompanying financial statements).

The Company spent significant resources performing corporate actions (financing and consolidation) in the 2016 comparative period and spent significant resources sourcing an RTO candidate. As the RTO target was determined in April of 2016 (see Ynvisible section above), travel and associated consulting costs were reduced at this time.

Other than items disclosed within this MD&A, there are no trends, commitments, events or uncertainties presently known to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operation other than uncertainty as to the speculative nature of the business, and the uncertainty of fundraising activities.

## 1.5 Summary of Quarterly Results

Three months ended	Total Revenues	Net Loss	Loss Per Share (Basic and Diluted)*
November 30, 2017	\$Nil	\$79,086	\$0.02
August 31, 2017	\$Nil	\$60,133	\$0.02
May 31, 2017	\$Nil	\$13,879	\$0.01
February 28, 2017	\$Nil	\$20,309	\$0.01
November 30, 2016	\$Nil	\$16,099	\$0.01
August 31, 2016	\$Nil	\$62,955	\$0.02
May 31, 2016	\$Nil	\$100,780	\$0.02
February 28, 2016	\$Nil	\$37,135	\$0.02
November 30, 2015	\$Nil	\$63,568	\$0.02

\* Restated for 4 to 1 consolidation completed January 20, 2016 and 2 to 1 consolidation completed December 3, 2017.

The Company had been searching for a suitable RTO candidate for a number of years. Losses throughout the years have been low and can be largely attributed to minimal operating costs to maintain the Company's listing and associated compliance. During the quarters ended November 30, 2015, February 28, 2016, and May 31, 2016, the Company allocated extra resources to locating an RTO candidate and consequently signed an LOI in April of 2016. Net loss in the quarters ended August 31, 2016, November 30, 2017 and August 31, 2017 reflects additional costs associated with preparing for the RTO. During the most recent quarters, the Company has been trying to minimize its monthly operating costs.

### **1.6 Liquidity**

In management's view, given the nature of the Company's operations, the Company does not expect to receive significant income from any of its projects in the foreseeable future.

The Company has financed its operations to date primarily through the issuance of common shares and the exercise of stock options or warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt. The Company continues to seek capital through various means including the issuance of equity and/or debt. During the past year the Company has received loans from related parties and third parties to fund operating expenses.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

### **1.7 Capital Resources**

At November 30, 2017, the current assets of the Company consist of cash in the bank, prepaid expenses, and GST recoverable totaling \$90,304 and the Company has a working capital deficit of (\$226,403). The Company will have to generate additional cash from equity raised through the Canadian public markets to meet its commitments.

Net cash used in operating activities for the year ended November 30, 2017 was (\$112,317) (2016: \$351,344). The cash used consisted primarily of general and administrative expenses, net of non-cash expenditures and a net change in non-cash working capital, detailed in the statement of cash flows.

During the year ended November 30, 2017, cash provided from financing activities was \$198,100 (2016: \$341,110). Financing related cash transactions consisted of deferred financing costs (\$25,000) and proceeds from loans totaling \$112,100.

During the year ended November 30, 2017, cash from investing activities totaled \$Nil (2016: \$Nil).

### **1.8 Off Balance Sheet Arrangements**

At November 30, 2017, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

### 1.9 Transactions with Related Parties

The Company has incurred charges during the year ended November 30, 2017 from directors and senior management, or companies controlled by them, for management fees and consulting fees as follows:

	Year Ended	
	November 30, 2017	November 30, 2016
Consulting fees charged by the CEO (Alex Helmel)	\$ -	\$ 15,000
Consulting fees charged by the CFO (Darren Urquhart)	6,500	8,000
	<b>\$ 6,500</b>	<b>\$ 23,000</b>

There are no consulting or management contracts in place.

As at November 30, 2017, trade and other payables include \$58,161 (2016 - \$25,725) due to the CEO (\$41,133) and the CFO (\$17,028). Trade and other payable amounts due to related parties are unsecured, and have no specified terms of repayment.

The Company shares office space with other companies. During the year ended November 30, 2017, the Company paid \$95,372 (2016 - \$86,903) in total rent, of which \$Nil (2016 - \$18,000) was recovered from companies with a common director and \$97,650 (2016 - \$93,267) were recovered from other companies.

At November 30, 2017, loans totaling \$21,300 (November 30, 2016 - \$20,000) were due to the CEO (\$1,300) and the CFO (\$20,000) of the Company. Loans payable are unsecured and payable on demand. All loans payable bear interest at rates of 1% or 1.5% per month.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

#### *Directors and Officers*

As at the date of this report, the Company had the following directors and officers:

Jani-Mikael Kuusisto – Chief Executive Officer and Director  
 Alexander Helmel – Director  
 Duarte Mineiro – Director  
 Martin Burian - Director  
 Darren Urquhart, CPA, CA – Chief Financial Officer  
 Ines Henriques – Chief Operating Officer  
 Carlos Pinheiro – Chief Technology Officer

As at November 30, 2017, the Company had the following directors and officers:

Alexander Helmel – President, CEO and Director  
 Darren Urquhart, CPA, CA – CFO  
 Rick Vaive – Director  
 Robert Friesen – Director

### 1.10 Fourth Quarter

The Company's focus during the fourth quarter was to work towards the completion of the RTO transaction with YD Ynvisible as announced in the news release dated May 3, 2016, July 27, 2016, and January 9, 2017.

Activity in the fourth quarter was consistent with recent quarters with the exception of an increase in consulting and travel related to initial marketing and finance companies. General & administrative expenses were primarily attributable to expenses related with the Ynvisible transaction.

*Highlights from the fourth quarter:*

On November 16, 2017 the Company announced an update on the RTO transaction with Ynvisible, a proposed share consolidation and a non-brokered private placement. Subsequent to the November 30, 2017 year end, the proposed share consolidation took place on December 4, 2017 and the non-brokered private placement closed on December 19, 2017.

### 1.11 Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company other than those disclosed elsewhere in this MD&A.

### 1.12 Other MD&A Requirements

This MD&A should be read in conjunction with the condensed financial statements for the year ended November 30, 2017. This MD&A is intended to assist the reader's understanding of Ynvisible and its operations, business, strategies, performance and future outlook from the perspective of management. The documents mentioned above, as well as news releases and other important information may be viewed through the SEDAR website at [www.sedar.com](http://www.sedar.com).

This MD&A may contain management estimates of anticipated future trends, activities, or results; these are not a guarantee of future performance, since actual results may vary based on factors and variables outside of management's control. Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the financial statements and MD&A, is complete and reliable. Ynvisible's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's Audit Committee meets with management to review the financial statement results, including the MD&A, and to discuss other financial, operating and internal control matters. The Audit Committee is free to meet with the independent auditors at any time.

### Summary of Outstanding Share Data as of the Date of this Report

	<b>Number Issued and Outstanding</b>
<b>Common shares *</b>	52,216,200
<b>Stock Options *</b>	3,800,000
<b>Warrants *</b>	Nil
<b>Fully Diluted *</b>	56,016,200

\* These numbers reflect the effect of the consolidation effected December 4, 2017.

## OTHER INFORMATION

### Approval

The Board of Directors of Ynvisible has approved the disclosure contained in the MD&A as of the date of this report. A copy of this MD&A will be provided to anyone who requests it and can be located, along with additional information, on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### Controls and Procedures

Disclosure controls and procedures ('DC&P') are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ('ICFR') are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

TSX Venture listed companies are not required to provide representations in filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The Company's actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by securities regulations, the Company undertakes no obligation to publicly release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to the development of products, sales growth and global expansion, the impact of the Company's products and services on customers and marketplaces, future financial or operating performance of the Company, the ability to capitalize on future opportunities and estimates regarding the size and scope of our target markets and their potential for growth.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to the integration of acquisitions; future costs of materials and labor; speed of technology adoption in target markets and emergence of competing technologies, and other risks of the printed electronics and technology industry; delays in obtaining financing.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

### **Subsequent Events**

On December 4, 2017, the Company consolidated its capital on a one-new-for-two-old basis. The name of the company has not been changed.

On December 19, 2017, the Company closed its previously announced (see press release dated Nov. 16, 2017) non-brokered private placement whereby the Company issued 5,875,400 common shares in the capital of the company at a price of 30 cents per share for total gross proceeds of \$1,762,620. The Company has paid eligible finders a cash commission in the aggregate amount of \$88,092, being 6% of the aggregate proceeds from the sale of shares to purchasers introduced by the finders.

On January 11, 2018, the Company renamed itself to Ynvisible Interactive Inc.

On January 19, 2018, Ynvisible Interactive Inc. (formerly Network Exploration Ltd.) completed its previously announced transaction with YD Ynvisible SA, whereby the Company has acquired 94.19% of the issued and outstanding common shares of Ynvisible, through the issuance of 25,991,831 common shares, which acquisition constitutes a reverse takeover transaction pursuant to the policies of the TSX Venture Exchange. (see news release dated January 19, 2018).

Concurrent with the RTO, the Company closed a prospectus offering of 15,333,332 shares at a price of \$0.30 per share. The Company issued 83,333 common shares and paid cash as finders' fees relating to this offering.

Subsequent to the completion of the transaction with YD Ynvisible SA, the Company repaid \$147,800 in principal, \$13,318 in accrued interest, and \$8,245 in loan arrangement fees relating to loans payable

On February 21, 2018, Ynvisible Interactive Inc. granted 1.6 million incentive stock options to employees and consultants of the Company at an exercise price of 40 cents per share. The options are exercisable for a period of one year (1.25 million options) or five years (350,000 options) and are subject to the approval of the TSX Venture Exchange.