



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

LITE ACCESS TECHNOLOGIES INC.
Management's Discussion and Analysis
For the Years Ended September 30, 2022 and 2021
Expressed in Canadian Dollars

INTRODUCTION

This management's discussion and analysis ("MD&A") for Lite Access Technologies Inc. (the "Company" or "Lite Access" or "LTE"), dated January 27, 2023, should be read in conjunction with the audited consolidated financial statements for the years ended September 30, 2022 and 2021. Except as otherwise disclosed, all dollar figures in this report are stated in Canadian dollars, which is the Company's reporting currency.

The audited consolidated financial statements of the Company for the year ended September 30, 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

FORWARD-LOOKING INFORMATION, DEFINITIONS AND RISKS NOTICE

This management's discussion and analysis is a review of the Company's financial performance and financial condition as at and for the year ended September 30, 2022 and plans for the future based on facts and circumstances as of January 27, 2023. When we discuss our costs and timing of current and proposed operations, working capital requirements, the requirement for additional capital, future prices, future accounting changes or other things that have not yet happened in this review we are making statements considered to be *forward-looking information* under Canadian securities laws.

The forward-looking information in this MD&A typically includes words and phrases about the future, 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". We can give no assurance that the forward-looking information will prove to be accurate. It is based on a number of assumptions management believes to be reasonable, including but not limited to no material adverse change in the fibre optic market and exchange rates, competition, reliance of significant customers, limited volatility in the Company's share price, no material changes in the competitive market, the Company will be successful in retaining qualified staff, and such other assumptions and factors as set out herein. If our assumptions prove to be incorrect or risks materialize, our actual results and events may vary materially from what we currently expect as set out in this review.

It is also subject to risks associated with our business, including but not limited to: risks inherent in the fibre optic business, ability to fulfill any contract awards or to be retained for the full value of a contract award, requirements for additional capital, government regulations, reliance on key personnel, rapid technology changes, competition, lack of demand, equipment failures, environmental risks, protection of intellectual property rights, and the timing and possible outcome of pending litigation and other risks that are set out below.

We recommend that you review this management's discussion and analysis, which includes a discussion of material risks that could cause actual results to differ materially from our current expectations. Forward-looking information is designed to help you understand management's current views of our near and longer-term prospects, and it may not be appropriate for other purposes.

Non-IFRS Measure: EBITDA is a measure not recognized under IFRS. However, management of Lite Access believes that most shareholders, creditors, other stakeholders and investment analysts prefer to have these measures included as reported measures of operating performance, a proxy for cash flow, and to facilitate valuation analysis. EBITDA is defined as earnings before interest income, taxes, depreciation and amortization, share-based compensation, impairment charges, onerous contract provision, discontinued operations and other non-recurring gains or losses. Management believes EBITDA is a useful measure that facilitates period-to-period operating comparisons.

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EBITDA does not have any standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Readers are cautioned that EBITDA is not an alternative to measures determined in accordance with IFRS and should not, on its own, be construed as indicators of performance, cash flow or profitability. References to the Lite Access' EBITDA should be read in conjunction with the financial statements and management's discussion and analysis of Lite Access posted on SEDAR (www.sedar.com).

COMPANY OVERVIEW

Lite Access is a leader in the use of innovative and proven micro/narrow trenching technologies, alternate methods of deployment and specialist products which transform the cost of fibre optic network deployment for telecommunications operators. Lite Access has successfully deployed or enabled deployment of thousands of kilometers of broadband networks throughout Canada and the United Kingdom as well as South America, Africa, Australia and Asia.

As part of its suite of services Lite Access provides clients with integrated solutions or select components for the design and implementation of fibre optic networks. Lite Access' products have been deployed in many high-profile communication networks including Olympic facilities, military and government, numerous communities as well as global telecommunications companies that have adopted Lite Access as the "solution of choice" for the least invasive, most cost effective and future-proof fibre optic connectivity available.

Lite Access' installation technology and proprietary products extend a network provider's ability to deliver true broadband connectivity directly to end-users, such as homes, government and educational institutions, and emergency response facilities. Lite Access remains flexible and innovative in its commitment to provide global clients and partners with the most cost effective and proven fibre connectivity solutions available.

Lite Access is a public company listed as a Tier 1 Industrial Issuer on the TSX Venture Exchange ("TSX-V") under the stock symbol "LTE".

Lite Access was incorporated on October 20, 2003, under the Business Corporations Act (British Columbia). The head office is located at 110-6039 196 Street, Surrey, British Columbia, Canada, V3S 7X4, and its registered and records office is located at 704 – 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

COMPANY DEVELOPMENT AND OUTLOOK

Board and Management Change

During the third quarter of fiscal 2022, the Company appointed new board directors and management team with individuals possessing industry knowledge and necessary skill sets to support its growth strategy. The newly formed board and management team have meaningful positions in Lite Access ensuring ultimate alignment of shareholder interests. Having the right people in place will help to identify and execute proper due diligence towards new opportunities and allow collaborative and strategic discussions for the benefit of the Company and its valued shareholders.

Cooperation Agreement with Ironman

On July 26, 2022, the Company signed a cooperation agreement (the "Cooperation Agreement") with Ironman Direction Drilling Ltd. ("Ironman") whereby Lite Access and Ironman will jointly provide their specialized fibre installation and directional drilling services on new fibre optic network projects (the "New Projects").

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Highlights of Strategic Cooperation Agreement:

- Lite Access to receive operational strength of Ironman for new fibre optic network projects.
- Ironman incentivized to refer new fibre installation projects to Lite Access.
- Lite Access anticipates increased operational efficiencies and additional project flow resulting from its new relationship with Ironman.

Under the terms of the Cooperation Agreement, Lite Access offered Ironman a right of first refusal to provide directional drilling services on all New Projects of Lite Access. In each instance of cooperation, Lite Access and Ironman will enter into a binding service agreement that sets out the services and consideration paid to Ironman for each Lite Access New Project.

The Cooperation Agreement further provides that Ironman offered Lite Access a right of first refusal to provide its fibre installation services on all New Projects of Ironman. Similar to the above, a binding service agreement will be entered into by the parties that set out the services and consideration paid to Lite Access for each Ironman New Project.

In consideration of Ironman agreeing to enter into this Cooperation Agreement, Ironman will receive a cooperation fee of \$400,000 over a period of up to three years through a profit-sharing arrangement on Lite Access New Projects.

The term of the Cooperation Agreement is three years. The agreement may be terminated by either party on thirty days' notice provided that Ironman receives the payment of \$400,000 noted above.

The Cooperation Agreement also provides that Lite Access issued a total of 2,265,440 common shares at a price of \$0.08 per share for total consideration of \$181,236 to settle the debt to Ironman in the amount of \$226,545. As a result, the Company recognized a gain on settlement of debt in the amount of \$45,309.

Financing Update

In March 2022, the Company closed a non-brokered private placement and issued a total of 8,355,000 units at \$0.10 for gross proceeds of \$835,500. Each unit consists of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share for a period of two years from the date of the issue at an exercise price of \$0.15 per share, subject to an accelerated expiry if the volume weighted average price of the company's share is equal to or greater than \$0.25 per share for a period of 30 consecutive trading days. Under the financing, the Company paid finder's fee of \$57,535 and issued a total of 574,350 warrants. These broker warrants had a fair value of \$35,362, calculated using Black-Scholes option-pricing model, assuming an expected life of 2 years, an interest-free rate of 2.32%, an expected dividend rate of 0.00% and an expected annual volatility of 115%.

On November 22, 2022, the Company closed a non-brokered private placement with gross proceeds of \$1,052,000. The offering consisted of a secured convertible debenture of \$500,000 and 11,040,000 common shares at \$0.05 per share for gross proceeds of \$552,000. Under the debenture offering, the debentures were secured under a general security agreement, bear a fixed interest rate of 12% per annum and be due two years from the date of issue. The debentures will be convertible into common shares of the Company at a conversion ratio of \$0.07 per common share if converted during the period from the issue date to the last day of the first anniversary of the issue date, and \$0.10 if converted during the period from the first day of the second anniversary of the issue date to the last day of the second anniversary of the issue date. The proceeds were used to fund working capital needs and growth initiatives.

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Canadian Operations

The Canadian market and business conditions continue to improve and provide a real, sustainable opportunity for our Company's growth. The telecom network infrastructure industry is expected to undergo exponential growth to meet the consumer demand for high-speed internet access. With the increased execution capabilities and operational improvement, the Company is well-positioned to seize the growth opportunities to deliver more infrastructure projects, diversify our client base and expand the presence in Western Canada and other regions. Lite Access is focused on local projects and working closely with municipal partners. In addition, through active and ongoing investigation into past and current projects, management has identified areas requiring further attention including training opportunities, re-introducing micro-trench deployments, refocusing on product sales and increasing the scope of work that can now be performed through new partnership.

Saddle Lake, Alberta

In August 2022, The Company and Rigstar Industrial Telecom (Rigstar) were awarded a fibre build contract from the Saddle Lake Cree Nation located in the Onihcikiskwapowin region of central Alberta. The project is to upgrade the existing internet and extend cellular infrastructure to the Saddle Lake Cree First Nation, which will improve the resilience of the broadband and cellular connectivity throughout the community. The project is valued \$1.5 million and funded under the Investing in Canada Infrastructure Program, Indigenous Services Canada, and Saddle Lake Cree Nation. The Company started the construction in September and achieved substantial completion in October 2022.

Ktunaxa, British Columbia

In October 2022, the Ktunaxa Nation Council awarded the second phase of a Fibre-to-the-Home (FTTH) construction project to the Company, valued at approximately \$805,000. The Company was awarded the first phase of a Fibre-to-the-Home (FTTH) construction project at the First Nation community last year for design, supply and installation of the fibre build connecting all community band office, health centre, recreation centre and service drops for all the homes and lots on subdivision road.

After successfully completing the first phase, the Company will continue with the construction project to include an additional 17 kilometers of an in-ground backbone network, multiple highway road crossings, connectivity to a wireless tower via aerial as well as the installation of additional 37 service drops to the Akisq̓nuk First Nations homes. The Company started the construction in November 2022 and expected to complete the project in the second quarter of fiscal 2023.

Brooks, Alberta

In August 2020, the City of Brooks issued an RFP to solicit proposals from qualified construction contractors, for the design, build, operation and maintenance (DBOM) of a citywide open access network using fixed wireless or fibre-to-the-home (FTTH) Next Generation Broadband Network (NGBN) capable of Gigabit + speed service to the end user within the City of Brooks.

In January 2021, Brooks Alberta City council unanimously agreed to accept a proposal from Lite Access to construct a city-wide broadband network. The contract was signed in February 2022 with a total value of \$13.6 million. The Company started the backbone network construction in April 2022. In the fourth quarter of fiscal 2022, the Company conducted a project review and determined to end the contract for the best interest of the Company based on the current market environment. As a result, an amicable separation agreement was reached with City of Brooks and CNPI and the contract was terminated on September 9, 2022.

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Southeastern, British Columbia

In the Fall of 2020, a region in southeastern British Columbia issued an RFP for the provision of project management and construction services, utilizing both aerial and underground fibre construction methodologies, to deploy fibre optic cable. Lite Access was successful in the RFP process with its proposal of approximately \$800,000 for the services, the terms of which have been finalized in a signed contract. The project started in September 2021 and majority of the aerial work was completed in March 2022. During the third quarter of fiscal 2022, the Company completed the final testing of the project and achieved substantial completion.

Clearwater County, Alberta

During fiscal 2021, the Company completed a design-build fibre project for Clearwater County with total contract value of \$1.2 million. In March 2021, the Company fulfilled a sales order to Clearwater County totaling \$1,183,000. The micro-ducts and fibre optic components purchased were planned to be used for the additional phase of the project to build the fibre network between Sundre to Olds.

In September 2021, the Company was awarded the additional phase of the project with approximate contract value of \$1.15 million. The construction started in September 2021 and the civil component was completed in the first quarter of fiscal 2022. The Company finished the fibre work in the third quarter and completed the final testing in the fourth quarter of fiscal 2022.

Acquisition and Sales of AMEC

On March 5, 2021, the Company, through its wholly owned subsidiary Lite Access Technologies (Canada) Inc. ("LTE Canada") completed the acquisition of all the outstanding shares of AMEC (Note 6). Pursuant to the purchase agreement, LTE Canada will pay cash consideration \$500,000, net of working capital adjustments on the first anniversary of the closing of the transaction and earn-out payments as follows:

- (i) 10% of the annual EBITDA of LTE Canada and AMEC for 31 months after the closing date; and
- (ii) 5% of the annual EBITDA of LTE Canada and AMEC for an additional 36 months.

On June 10, 2022, the Company sold all of the shares of AMEC to its former owner Tony Curkovic. Under the share purchase agreement, the Company provided \$80,000 additional working capital to AMEC and forgave intercompany indebtedness of \$180,000. In consideration of the forgoing, the purchaser forgave all amounts owed by the Company to the purchaser under the Company's original acquisition of AMEC on March 5, 2021, including business acquisition payable \$322,438 and contingent consideration payable \$193,245. As the Company no longer controls AMEC, its assets and liabilities were deconsolidated from the balance sheet and financial results were reclassified as discontinued operation as at June 10, 2022. The sale of AMEC allows the Company to focus its core business on network deployment, reduce overhead expenses and strengthen financial flexibility.

Discontinued UK Operations

As disclosed in note 6 of the financial statements, the UK business officially appointed FRP Advisory Trading Limited as administrators on January 26, 2021 to liquidate assets and make distribution of the outstanding liabilities. As a result, the Company lost control over the UK business and its financial results were classified as a discontinued operation as of the date of the appointment of the administrators. During fiscal 2021, the Company received construction equipment valued at \$85,615 (£50K) as initial distribution and the administrator estimated a total distribution of £624K to be distributed to

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Lite Access Canada excluding future recoveries. As at September 31, 2021, the Company had received construction equipments valued at \$85,615 (£50,000) as initial distribution and the balance of \$982,860 (£574,000) was recorded as liquidation receivable. During the year ended September 30, 2022, all the liquidation process was completed and the company received the total distribution of \$865,565 (£516,000). The final distribution received was \$117,295 (£58,000) lower than the original estimation due to the additional legal expenses incurred to complete the process.

FINANCIAL PERFORMANCE

For the years ended September 30, 2022, the Company had comprehensive loss of \$2,861,463 (2021: comprehensive income \$2,147,274), with an EBITDA loss from continuing operations of \$2,346,848 (2021: \$1,766,384). The comprehensive loss comprised of revenues of \$5,776,549 (2021: \$5,354,597), costs of sales of \$5,939,348 (2021: \$5,337,142), operating expenses of \$2,445,199 (2021: \$2,786,866), other income of \$14,974 (2021: \$1,031) and loss from discontinued operation \$268,439 (2021: net gain of \$4,915,654). Certain prior period comparative figures have been reclassified to conform with the current year's presentation.

Consolidated Statements of Financial Position as at September 30, 2022 and 2021

Significant variances include:

Assets and Liabilities

	<u>September 30, 2022</u>	<u>September 30, 2021</u>	<u>Variance</u>
Cash and cash equivalents	239,105	627,778	(388,673)

The cash decrease was attributed to the negative cash flow from operating activities caused by the higher construction costs this year. In fiscal 2022, the Company received a total distribution of \$865,565 from discontinued UK operation and net financing proceeds of \$769,362 from the private placement closed in March 2022 (2021: \$1,182,865)

	<u>September 30, 2022</u>	<u>September 30, 2021</u>	<u>Variance</u>
Amounts Receivable	2,372,163	1,539,323	832,840

Amounts receivable increased 54% compared to the balance as at the year end of fiscal 2021, mainly contributed by the progress billing for Saddle Lake project in the amount of \$1.4 million, offset by the deconsolidation of accounts receivable from AMEC operation. As at September 30, 2022, the amount of \$371,934 are past due. Of this amount, a total of \$54,402 was past due over 90 days. The Company recorded an allowance of \$35,411 for the expected credit loss.

	<u>September 30, 2022</u>	<u>September 30, 2021</u>	<u>Variance</u>
Contract assets	35,550	285,800	(250,250)

Contract Assets decreased primarily due to the construction work completed were billed to the customer based on the contract.

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	September 30, 2022	September 30, 2021	Variance
Inventory	96,356	372,570	(276,214)

Inventory decreased primarily due to the material purchased were installed for the projects and deconsolidation of the inventory resulted from discontinued AMEC operation in June 2022.

	September 30, 2022	September 30, 2021	Variance
Property, plant and equipment	860,637	2,695,520	(1,834,883)

Property, plant and equipment decreased substantially as a result of deconsolidation of AMEC assets, partially offset by the addition of leased vehicles.

	September 30, 2022	September 30, 2021	Variance
Accounts payable and accrued liabilities	782,477	2,049,180	(1,266,703)

Accounts payable and accrued liabilities decreased 62% compared to the amount reported last year due to the deconsolidation of AMEC accounts payable after the subsidiary was sold.

	September 30, 2022	September 30, 2021	Variance
Due to related parties	1,720,989	-	1,720,989

Pursuant to the cooperation agreement the Company signed with Ironman (Note 16), during the fourth quarter of fiscal 2022, Ironman provided the construction services for multiple Lite Access projects. The total amount of \$1,460,671 was billed to Lite Access. As at September 30, 2022, the amount of \$1,321,546 was outstanding. In addition, Ironman earned the cooperation fee of \$375,282 on multiple cooperation projects. No cooperation fee was paid as at September 30, 2022 and the full amount was reported under the related party payable.

	September 30, 2022	September 30, 2021	Variance
Revolving credit facility	310,059	418,604	(108,545)

The Company has a \$500,000 revolving demand credit facility at RBC's with a rate of prime plus 2.60% per annum. The amount of \$310,059 was drawn as at September 30, 2022. AMEC has a \$600,000 revolving demand credit facility at Royal Bank of Canada ("RBC") prime + 1.94%. The amount of \$330,387 was drawn down as at the date the AMEC was sold (September 21, 2021: \$418,604).

	September 30, 2022	September 30, 2021	Variance
Lease liabilities (short and long-term)	113,402	947,296	(833,894)

The decrease in lease liabilities was primarily due to the deconsolidation of lease liabilities of AMEC operation. It was further driven by the disposal of the leased assets and sublease of office and warehouse.

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	September 30, 2022	September 30, 2021	Variance
Business acquisition and contingent payable	-	515,683	(515,683)

On June 10, 2022, the Company sold all of the shares of its wholly owned subsidiary, AMEC cutting and Coring Ltd to its former owner Tony Curkovic. Under the share purchase agreement, the Company provided \$80,000 additional working capital to AMEC and forgave intercompany indebtedness of \$180,000. In consideration of the forgoing, the purchaser forgave all amounts owed by the Company to the purchaser under the Company's original acquisition of AMEC on March 5, 2021, including business acquisition payable \$322,438 and contingent consideration payable \$193,245.

Operating results for the years ended September 30, 2022 and 2021

Significant variances include:

	2022	2021	Variance
Revenue	5,776,549	5,354,597	421,952

Revenue for the year ended September 30, 2022 was \$5,776,549, up \$421,952 or 8% from last year. The higher revenue was mainly contributed by the higher construction revenue from several large projects, including Brooks \$1,245,769, Saddle Lake \$1,329,566, and Clearwater \$907,484.

	2022	2021	Variance
Cost of revenue	5,939,348	5,337,142	602,206

Cost of revenue comprises of purchases and subcontractor costs, direct wages, vehicle and travel, amortization, freight and rental expenses. Total cost of revenue increased 11% to \$5,939,348 from \$5,337,142. This increase was in line with the higher revenue from Canadian operations on various projects offset by the lower product sales this year.

	2022	2021	Variance
Gross margin	(162,799)	17,455	(180,254)
	-3%	0%	-3%

Negative gross margin of \$162,799 was reported for the year ended September 30, 2022, a decrease of \$180,254 compared to gross margin of \$17,455 for last year. The higher material and subtrade costs resulting from the global supply chain issue and labor shortage primarily contributed to the higher construction costs this year.

Operating Expenses

	2022	2021	Variance
Total operating expenses	2,445,199	2,786,866	(341,667)
Total operating expenses as a percentage of total revenue	42%	52%	-10%

Operating expenses for fiscal 2022 decreased to \$2,445,199 from \$2,786,866 reported last year. The operating expenses as a percentage of revenue went down to 42% from 52% a year ago. During fiscal 2022, the Company signed the cooperation agreement with Ironman and recorded cooperation fees of \$375,280 for the cooperation projects that Ironman completed.

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Excluding the cooperation fees, the operating expenses decreased by \$716,949 compared to the amount reported last year. This substantial expense reduction was driven by various cost-cutting initiatives the company has taken to lower the overhead expenses across most of the expense categories.

Significant variances include:

	2022	2021	Variance
Insurance	84,091	185,480	(101,389)

Insurance expenses decreased primarily due to the absence of premium costs for discontinued UK and AMEC operations.

	2022	2021	Variance
Office and supplies	104,693	133,629	(28,936)

Office and Supplies decreased to \$104,693, down 22% compared to the amount \$133,629 reported last year, which reflected the cost-cutting initiatives that the company has taken to reduce the overhead expenses.

	2022	2021	Variance
Share-based payments	37,474	535,175	(497,701)

Non-cash share-based payments decreased 93% to \$37,474, primarily attributed to the reversal \$293,124 for the stock options cancelled when the employment contracts were terminated. Excluding the reversal, the Company recorded total share-based payments of \$330,598 in fiscal 2022, down 38% from the amount reported last year.

	2022	2021	Variance
Wages and consulting	1,163,810	1,344,805	(180,995)

Wages and consulting decreased 13% to \$1,163,810 compared to the amount \$1,344,805 reported last year. The decrease was mainly driven by the organizational restructuring which resulted the lower personnel costs this year.

	2022	2021	Variance
Cooperation fees	375,282	-	375,282

Pursuant to the cooperation agreement signed with Ironman, a total of \$375,282 cooperation fees were recorded for several projects completed in fiscal 2022.

EBITDA

Below is the calculation of the EBITDA for the years ended September 30, 2022 and 2021:

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	Years Ended Sep 30	
	2022	2021
Net (loss) from continuing operation	(2,593,024)	(2,768,380)
Interest expense	17,114	22,591
Depreciation and Amortization	191,578	444,230
Share-based payments	37,474	535,175
EBITDA*	(2,346,858)	(1,766,384)

*This is a non-GAAP financial measure

EBITDA for the years ended September 30, 2022 decreased to \$(2,346,858) from \$(1,766,384) of last year. The decrease of EBITDA was mainly attributed to the higher material and labor costs this year, cooperation fees for cooperation projects with Ironman, partially offset by the lower operating expenses resulted from the cost cutting measures. The lower product sales this year also contributed to the lower EBITDA this year.

SELECTED ANNUAL INFORMATION

The audited consolidated financial statements for the years ended September 30, 2022, 2021 and 2020 were prepared in accordance with International Financial Reporting Standards (IFRS), with a Canadian dollar presentation currency.

	Year Ended September 30, 2022 (Audited) \$	Year Ended September 30, 2021 (Audited) \$	Year Ended September 30, 2020 (Audited) \$
Revenue	5,776,549	5,354,597	5,354,597
Cost of revenue	5,939,348	5,337,142	5,337,142
Gross profit	(162,799)	17,455	17,455
Assets	3,609,811	6,547,701	6,547,701
Long-term Liabilities	141,303	663,440	663,440
Net Income(loss)from continuing operation	(2,593,014)	(2,768,380)	(2,768,380)
Comprehensive Income(loss)from discontinued operation	(268,439)	4,915,654	4,915,654
Earning (loss) per share from continuing operation-basic/diluted	(0.04)	(0.04)	(0.04)
Earning (loss) per share from discontinued operation-basic	(0.00)	0.08	0.08
Earning (loss) per share from discontinued operation-basic	(0.00)	0.07	0.07

SUMMARY OF QUARTERLY RESULTS

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The following selected quarterly financial information is derived from the consolidated financial statements of the Company and has been prepared in accordance with IFRS, with a Canadian dollar presentation currency.

	September 30, 2022 (Reclassified) \$	June 30, 2022 (Reclassified) \$	March 31, 2022 (Reclassified) \$	December 31, 2021 (Reclassified) \$
Revenue	2,673,406	1,395,713	361,380	1,346,050
Assets	3,609,811	3,997,361	5,308,465	5,690,139
Working Capital	(121,184)	313,503	136,793	141,574
Shareholders' Equity	598,150	1,056,757	1,746,434	1,857,376
Net Income (Loss) from continuing operations	(496,975)	(693,735)	(823,875)	(578,439)
Net Income (Loss) from discontinued operations	-	18,107	(156,113)	(130,433)
Basic Income (Loss) per Common Share - Continuing operations	(0.01)	(0.01)	(0.01)	(0.01)
Basic Income (Loss) per Common Share - Discontinued operations	-	(0.00)	(0.00)	(0.00)
Diluted Income (Loss) per Common Share - Discontinued operations	-	(0.00)	(0.00)	(0.00)

	September 30, 2021 (Reclassified) \$	June 30, 2021 (Reclassified) \$	March 31, 2021 (Reclassified) \$	December 31, 2020 (Reclassified) \$
Revenue	832,414	824,197	1,703,577	1,994,409
Assets	6,547,701	6,913,558	7,995,471	9,644,218
Working Capital	439,461	168,585	714,828	(4,390,148)
Shareholders' Equity	2,471,541	1,793,582	2,474,007	(2,040,137)
Net Income (Loss) from continuing operations	(232,929)	(781,165)	(1,098,166)	(656,120)
Net Income (Loss) from discontinued operations	879,357	(109,507)	4,252,989	(107,185)
Basic Income (Loss) per Common Share - Continuing operations	(0.00)	(0.01)	(0.02)	(0.01)
Basic Income (Loss) per Common Share - Discontinued operations	0.01	(0.00)	0.07	(0.00)
Diluted Income (Loss) per Common Share - Discontinued operations	0.01	(0.00)	0.06	(0.00)

As the financial results of LAT UK and AMEC have been classified as discontinued operations, certain prior year comparative figures have been reclassified to compare with the current year's presentation.

Overall, the Company has seen a fluctuation in operational activity over the eight most recently completed quarters primarily due to the nature of its business. Results in any quarter are not necessarily indicative of results of any other quarter or for the year as a whole. The analysis of operating results for the first three quarters of fiscal 2022 is included in the interim management discussion and analysis for each respective quarter.

For the fourth quarter ended September 30, 2022, the Company reported a total revenue of \$2,673,408, more than triple the revenue of the fourth quarter of fiscal 2021. The substantial revenue growth was mainly contributed by Saddle Lake project, which represented 50% of the total revenue reported for the quarter. Gross margin increased to 12% from 7% reported for the comparative quarter a year ago. Operating expenses for the quarter increased to \$791,364 compared to \$394,946 last year, primarily driven by the cooperation fees \$375,282 recorded for the quarter. Operating expenses as a percentage of revenue went down to 30% from 47% for the fourth quarter of last year, primarily driven by the cost control measures the Company took this year. The strong operating results for the fourth quarter reflected the improvements the Company had made in project execution and operational strength achieved from cooperation projects.

LIQUIDITY AND CAPITAL MANAGEMENT

Liquidity Management

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 is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for the foreseeable future. As at September 30, 2022, the Company had working capital deficit of \$121,184 (September 30,

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2021: \$439,461) and during the year ended September 30, 2022, the Company's cash decreased from \$627,778, to \$239,105, primarily due to the operating cash outflow, partially offset by the distribution received discontinued UK operation \$865,565 and private placement closed in March 2022 (Note 10) with gross proceeds of \$835,500. Subsequent to the year end, the Company closed a private placement with gross proceeds of \$1,052,000. The proceeds were used to fund working capital needs and growth initiatives. To mitigate liquidity risk, the Company will look to maintain a positive working capital, generate positive cash flow from forecasted sales and services, raise capital through equity financing, warrant exercises and maintain an accessible line of credit.

The Company's continuing operations are dependent, ultimately, upon reaching and maintaining profitable operations. Management plans to continue to deliver contracts and obtain new contracts and ensure the Company can generate sustainable, long-term profitability. The Company may need to raise additional funds in order to continue on as a going concern and there can be no assurances that sufficient funding, including adequate financing, will be available. The ability of the Company to arrange additional financing in the future depends, in part, on the prevailing capital market conditions and profitability of its operations. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern

Management of Capital

The Company considers its cash and cash equivalents and shareholders' equity as capital. There are no external restrictions on the Company's capital, and there have been no changes in this regard during the years ended September 30, 2022. The Company's principal source of funds for its operations is from sales and services, as well as the issuance of common shares and entering debt facilities. The issuance of common shares requires the approval of the Board of Directors. It is the Company's objective to safeguard its ability to continue as a going concern, so that it can continue to operate for the benefit of its stakeholders.

The Company uses stock options primarily to retain and provide future Incentives to key employees and members of the management team. The Board of Directors determines the granting of stock options. The Company's overall capital management strategy remains unchanged from the prior year.

TRANSACTIONS WITH RELATED PARTIES

During the years ended September 30, 2022 and 2021, the Company entered related party transactions or held balances with the following individuals and corporations:

Carlo Shmoon	Former CEO and Director
Jacob Gabriel Design and Consulting Inc.	Company controlled by Carlo Shmoon, former CEO and Director
Chui Wong	Former CFO
David Toyoda	Director
Michael Plotnikoff	Interim CEO and Director
Linda Han	Interim CFO
Mark Tommasi	Director
622738 BC Ltd.	Company controlled by Mark Tommasi
Michael Irmen	Director
Ironman Directional Drilling Ltd	Company controlled by Michael Irmen
Alex McAulay	Director
Greg Smith	Former Interim CEO and Director
Kevin Smith	Former Director
Daniel Nanson	Former Director

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John Farlinger	Former Director
Steven King	Former Director
SACA Future Limited	Company controlled by Steven King, Former Director

The following is a summary of the Company's related party transactions during the years that are not disclosed elsewhere in the consolidated financial statements. All related party transactions are recorded at the exchange amounts.

Key Management Compensation

	2022	2021
	\$	\$
Short-term employee benefits and director fees (in wages and consulting)	354,275	572,811
Share-based payments	172,060	459,789
Total	526,335	1,032,600

As at September 30, 2022, a total of \$5,398 was included in related parties payable for accrued salary and director fee.

Other Related Party Transactions

On July 26, 2022, the Company signed a cooperation agreement with Ironman Direction Drilling Ltd whereby Lite Access and Ironman will jointly provide their specialized fibre installation and directional drilling services on new fibre optic network projects.

Under the terms of the cooperation agreement, Lite Access offers Ironman the right of first refusal to provide directional drilling services on all new projects of Lite Access. In each instance of cooperation, Lite Access and Ironman will enter into a binding service agreement that sets out the services and consideration paid to Ironman for each Lite Access new project. The cooperation agreement further provides that Ironman offers Lite Access a right of first refusal to provide its fibre installation services on all new projects of Ironman. The term of the cooperation agreement is three years. In consideration of Ironman agreeing to enter into this cooperation agreement, Ironman will receive a maximum of \$400,000 cooperation fees over two years through a profit-sharing arrangement on Lite Access new projects. Pursuant to the profit-sharing arrangement, Lite Access will pay the cooperation fees to Ironman by paying 60% of the gross profit on cooperation projects. The agreement may be terminated by either party on thirty days' notice if Ironman has received the payment of \$400,000 cooperation fees.

During the fourth quarter of fiscal 2022, Ironman provided the construction services for multiple Lite Access projects. The total amount of \$1,460,671 was billed to Lite Access. As at September 30, 2022, the amount of \$1,321,546 was outstanding. In addition, Ironman earned the cooperation fees of \$375,282 on multiple cooperation projects. No cooperation fees were paid as at September 30, 2022 and the full amount was reported under the related party payable.

As part of the cooperation agreement, Lite Access issued a total of 2,265,440 common shares at a deemed price of \$0.10 per share for total consideration of \$226,545 to Ironman to settle the previous outstanding balance among the parties. The Company recognized a gain of \$45,309 on this debt settlement because of the share price difference on the date of settlement.

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SEGMENTED INFORMATION

The Company's principal business locations and operations are in British Columbia, Canada. The UK operations have been discontinued. The Company has three reporting segments: sale of micro-duct and fibre optic installations, based on the type of products sold and services provided. The Company reports activities not directly attributable to an operating segment under Corporate. Refer to note 17 of the Company's consolidated financial statements for segmented information.

SUBSEQUENT EVENTS

On November 22, 2022, the Company closed a non-brokered private placement with gross proceeds of \$1,052,000. The offering consisted of a secured convertible debenture of \$500,000 and 11,040,000 common shares at \$0.05 per share for gross proceeds of \$552,000.

Under the debenture offering, the debentures will be secured under a general security agreement, bear a fixed interest rate of 12% per annum and be due two years from the date of issue. The debentures will be convertible into common shares of the Company at a conversion ratio of \$0.07 per common share if converted during the period from the issue date to the last day of the first anniversary of the issue date, and \$0.10 if converted during the period from the first day of the second anniversary of the issue date to the last day of the second anniversary of the issue date.

Insiders subscribed for a total of 1,000,000 common shares for aggregate gross proceeds of \$50,000, and convertible debentures in the principal amount of \$250,000. The issuance of common shares and convertible debentures to insiders are considered related party transactions, and subject to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(a) of MI 61-101 on the basis that the participation in the offering by the insiders will not exceed 25% of the fair market value of the Company's market capitalization. The securities issued under the offering will be subject to restrictions on resale until March 23, 2023. The proceeds of the Offering will be used for working capital purposes.

PROPOSED TRANSACTIONS

The Company is identifying opportunities for acquisitions to increase its capacity and capability to execute projects in telecommunications network deployment in North America.

CRITICAL ACCOUNTING ESTIMATIONS AND JUDGEMENTS

The preparation of the audited consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the audited consolidated financial statements, as well as the reported amounts of revenues earned, and expenses incurred during the periods. Actual results could differ from those estimates.

Significant accounts that require estimates as the basis for determining the stated amounts include inventory valuation, amounts receivable, impairment of goodwill, revenues recognized based on percentage of completion, property, plant and equipment impairment and amortization, and estimation of onerous contracts. Refer to note 5 of the Company's audited consolidated financial statements.

SIGNICANT ACCOUNTING POLICIES

The Company follows the accounting policies described in Note 3 of the Company's September 30, 2022 audited consolidated financial statements.

CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING PRONOUNCEMENTS

The Company has adopted the requirements of Amendments to IFRS 3: Business Combinations effective January 1, 2021 and are adopted prospectively. These amendments to the implementation guidance of IFRS 3 clarify the definition of a business to assist entities to determine whether a transaction should be accounted for as a business combination or an asset acquisition. The amendments to IFRS 3 – Business Combinations may affect whether future acquisitions are accounted for as business combinations or asset acquisitions, along with the resulting allocation of the purchase price between the net identifiable assets acquired and goodwill. There is no impact to its consolidated financial statements on the adoption of the amendments to IFRS 3. Refer to note 4 of the Company's audited consolidated financial statements.

FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL RISK

The Company's financial instruments include cash and cash equivalents, amounts receivable, holdbacks receivable, accounts payable and accrued liabilities, long-term debt, lease liabilities, revolving credit facility and accrued provision for onerous contracts. The carrying value of the financial instruments approximates their fair values. Contingent consideration payable is carried at fair value at each reporting date with the change in fair value recorded in income. Refer to Note 18 of the Company's September 30, 2022 consolidated financial statements.

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 is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for the foreseeable future. The Company's continuing operations are dependent, ultimately, upon reaching and maintaining profitable operations. Management plans to continue to deliver contracts and obtain new contracts and ensure the Company can generate sustainable, long-term profitability. The Company may need to raise additional funds in order to continue on as a going concern and there can be no assurances that sufficient funding, including adequate financing, will be available. The ability of the Company to arrange additional financing in the future depends, in part, on the prevailing capital market conditions and profitability of its operations. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. Refer to Liquidity and Capital Management Section above as well as Note 1 of the Company's September 30, 2022 consolidated financial statements.

OTHER

Outstanding Share Data

The Company is authorized to issue unlimited common shares without par value and unlimited preferred shares without par value. As at January 27, 2023 and the date of this MD&A, the Company had 85,892,538 common shares issued and outstanding. The holders of common shares are entitled to one vote per share at meetings of the Company.

During the year ended September 30, 2022, no options and warrants were exercised. As at January 27, 2023, and the date of this MD&A, 6,165,000 options were outstanding. On February 25, 2022, a total of 5,290,000 warrants were expired and as at the date of this MD&A, a total of 8,929,350 warrants were outstanding, which were issued with the private placement closed in March 2022.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

RISK FACTORS

The following risk factors, as well as risks not currently known to Lite Access, could materially adversely affect Lite Access's future business activities and financial condition, and could cause them to differ materially from the estimates described in forward-looking statements relating to Lite Access. Before making an investment decision, consideration should be made of the principal risks and uncertainties described below:

High Degree of Product Concentration

Substantially all the Company's currently anticipated revenues will be derived from a limited number of products and services. Consequently, the Company's performance will depend on establishing market acceptance of these products and services, as well as enhancing the performance of such products and services to meet the evolving needs of customers. The Company, like other entities involved in a rapidly evolving new industry, faces the risk that the Company's products and services may not prove to be commercially successful or may be rendered obsolete by further scientific and technological developments. There can be no assurances that the Company will establish and maintain a position at the forefront of emerging technological trends. Any reduction in anticipated future demand or anticipated future sales of these products or any increase in competition could have a material adverse effect on the Company's business prospects, operating results, or financial condition.

Competition

The Company has experienced, and expects to continue to experience, competition from a number of companies. The Company's competitors may announce new products, services or enhancements that better meet the needs of customers or change industry standards. Increased competition may cause price reductions, reduced gross margins and loss of market share, any of which could have a material adverse effect on the Company's business, results of operations and financial condition.

Many of the competitors and potential competitors of the Company have significantly greater financial, technical, marketing and/or service resources than does the Company. Many of these companies also have a larger installed base of users, longer operating histories or greater name recognition than the Company. Customers of the Company are particularly concerned that their suppliers will continue to operate and provide upgrades and maintenance over a long-term period. Prospective customers may negatively perceive the Company's smaller size and short operating history. Even if competitors of the Company provide products with more limited system functionality than those of the Company, these products may incorporate other capabilities of interest to some customers and may be appealing due to a reduction in the number of different types of systems used to operate such customers' businesses. Further, competitors may be able to respond more quickly than the Company to changes in customer requirements and devote greater resources to the enhancement, promotion, and sale of their products.

Market Uncertainty

The Company's success depends to a significant degree on its ability to develop the market and gain acceptance for its products and services. There is no assurance that a significant market will develop for the Company's principal products and services. There can be no assurances that the additional commercial applications and markets for the Company's products and services will develop as currently contemplated. To manage such development, the Company must continue to expand its existing resources and management information systems and must attract, train, and motivate qualified marketing, management, technical and administrative personnel. There can be no assurance that the Company will be able to achieve these goals.

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Labor and Key Personnel

The Company depends on the services of its key management personnel. The loss of one of these people could have a significant unfavorable impact on the Company, its operating results, and its financial position. The success of the Company is largely dependent upon its ability to identify, hire, train, motivate and retain highly skilled management employees, engineers, technical employees, and sales and marketing personnel. Competition for its employees can be intense, and the Company cannot ensure that it will be able to bring in and retain highly skilled technical and management personnel in the future. Its ability to bring in and retain management and technical personnel and the necessary sales and marketing employees could have an unfavorable impact on its growth and future profitability. The Company may be obligated to increase the compensation paid to current or new employees, which could substantially increase operating expenses.

Growth Management and Market Development

There is no guarantee that the Company can develop its market significantly, thus affecting its profitability. The Company's expected growth might create significant pressure on management, operations, and technical resources. To manage its growth, Lite Access may need to increase the size of its technical and operational staff and manage its personnel while maintaining many effective relationships with third parties.

Pricing Policies

The competitive market in which Lite Access operates could force it to reduce its prices. If its competitors offer large discounts on certain products and services to gain market share or sell products and services, the Company may need to lower its prices and offer other favorable terms in order to compete successfully. Such changes could reduce profit margins and have an unfavorable impact on its operating results. Some of Lite Access's competitors could offer products and services that compete with theirs as part of a long-term pricing strategy or offer price guarantees or product implementation. With time, these practices could limit the prices Lite Access may charge for its products and services. If Lite Access cannot offset these price reductions with a corresponding increase in sales volume or decreased expense, the decreased revenues from products and services could unfavorably affect its profit margins and its operating results.

Product Failures and Mistakes

Lite Access products may contain failures and mistakes that could be detected at any time in a product's life cycle. Failures and mistakes in its products could have a significant unfavorable impact on its reputation, open it up to significant costs, delay product launch dates, and harm its ability to sell its products in the future. The costs of correcting a failure or mistake in one of these products could be significant and could negatively affect its operating margins. Although Lite Access expects to continue to test products to detect failures and mistakes and to work with its customers through its support and maintenance services in order to find and correct failures and mistakes, they could appear in its products in the future.

Technological Obsolescence

Competitors and new companies could launch new products. To remain on the cutting edge of technology, Lite Access may need to launch a new generation of products and services. Whether it is competition from development companies or a merger or acquisition of existing companies, competition within certain fibre optic industry sectors offering solutions similar to what Lite Access offers could increase. Technological progress and product development could make Lite Access products obsolete or reduce their value.

Lite Access may Acquire Businesses and Assets which are not Successfully Integrated

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Lite Access undertakes evaluations of opportunities to acquire additional properties and businesses. Any acquisitions may change the scale of Lite Access's business and may expose Lite Access to new geographic, political, operating, and financial risks. Lite Access's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, acquire them on acceptable terms, and integrate their operations successfully. Any acquisitions would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of Lite Access's ongoing business; the inability of management to realize anticipated synergies and maximize the financial and strategic position of Lite Access; the failure to maintain uniform standards, controls, procedures and policies; the impairment of relationships with employees and contractors as a result of any integration of new management personnel, and the potential unknown liabilities associated with acquired assets and businesses. There can be no assurance that any assets or business acquired will prove to be beneficial or that Lite Access will be able to integrate the required businesses successfully, which could slow Lite Access's rate of expansion and Lite Access's business and financial condition could suffer.

Lite Access may need additional capital to finance acquisitions (whether completed or not) which may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company. If Lite Access obtains debt financing, it will be exposed to the risk of leverage and its operations could become subject to restrictive loan and lease covenants and undertakings. If Lite Access obtains equity financing, existing shareholders may suffer dilution. There can be no assurance that Lite Access would be successful in overcoming these risks or any other problems encountered in connection with such financing.

Lite Access may be Subject to Litigation

Lite Access may be involved in disputes with other parties, which may result in litigation. If Lite Access is unable to resolve these disputes favorably, it may have a material adverse impact on Lite Access's financial condition.

Lite Access does not have a Dividend History

No dividends have been paid by Lite Access to date. Lite Access anticipates that for the foreseeable future it will retain future earnings and other cash resources for the operation and development of its business. Payment of any future dividends will be at the discretion of Lite Access's Board of Directors after considering many factors, including Lite Access's financial condition and current and anticipated cash needs.

Securities Investment Risks

Potential investors and shareholders should be aware that there are risks associated with any securities investment. The prices at which the Lite Access shares trade may be above or below the issue price and may fluctuate in response to a number of factors.

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COVID-19

In March 2020, there was a global outbreak of a novel coronavirus identified as "COVID-19". The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could result in delays in the course of business and could have a negative impact on the Company's ability to raise new capital and continue operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

Closing Details

Other information about the Company is available at www.sedar.com or on the Company's website www.liteaccess.com.

"Michael Plotnikoff"

Michael Plotnikoff, Interim CEO and Director
Vancouver, Canada
January 27, 2023