



**MANAGEMENT DISCUSSION AND ANALYSIS FOR
GLOBAL REMOTE TECHNOLOGIES LTD.**

FOR THE NINE MONTHS ENDED OCTOBER 31, 2016

PREPARED AS OF DECEMBER 31, 2016

Contact Information

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BACKGROUND

This discussion and analysis of financial position and results of operations is prepared as at December 31, 2016 should be read in conjunction with the unaudited interim consolidated financial statements for the nine months ended October 31, 2016, of Global Remote Technologies Ltd. (the "Company"). The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT ON FORWARD LOOKING INFORMATION

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

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

OVERALL PERFORMANCE

Global Remote Technologies Ltd. (the "Company") was incorporated under the laws of British Columbia on January 16, 2015. The Company's registered office is at Suite 1200, 750 West Pender Street, Vancouver, British Columbia, V6C 2T8. The Company also has offices in Denver, Colorado and Spring, Texas. The Company has two wholly-owned subsidiaries, GRT Technologies Inc. ("GRT"), which it acquired through a reverse merger pursuant to a plan of arrangement which closed on March 13, 2015, and Global Remote Technologies, LLC, which it acquired on pursuant to a Membership Interest Purchase Agreement which closed on September 28, 2015.

The Company provides products and services for use in the oil and gas industry. Its systems are designed to provide customers' key personnel with an early warning system to avoid equipment failures or costly compliance fines. The company collects vital information on the status of equipment, tanks, and pipelines for exploration, production, and transmission of oil, gas and water, compiles the information, and then export it off-site to a centralized operations center where it is processed and viewed by the Company using data analysis software developed by Prospector Technologies. The Monitoring Software is a web based data monitoring and alert system, which communicates essential data to customers' key personnel once collected and analyzed.

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

On March 13, 2015, the Company, GRT, and Planco completed the Arrangement whereby GRT and the Company exchanged securities on 1:1 basis, such that 30,747,658 common shares of GRT were exchanged by their holders for 30,747,658 Shares of the Company; Planco and the Company exchanged Company securities such that Planco issued 1,000 of its common shares to the Company and received in exchange a net of 300,000 Distribution Shares distributed to the Planco shareholders on a pro rata basis.

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

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

On September 9, 2015, the Company appointed Kane Smith as the President and a director of the Company. Kane Smith’s appointment follows the resignation of Chris Dorris as President of the Company.

On September 18, 2015, the Company entered into a Corporate Opportunities Purchase Agreement with Kane Smith, the President of the Company, whereby the Company agreed to purchase certain assets, including a one year revenue contract which commenced July 1, 2015, along with Kane Smith’s extensive knowledge, contacts, sales leads and corporate opportunities in the energy technology business in consideration for 5,000,000 common shares with a fair value of \$0.18 per share.

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

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

On May 5, 2016, MDA, GRT detailed a contract change between TERRA-Recendez resulting in GRT being the sole owner of the Helix Technology.

On June 16, 2016, Recendez voluntarily relinquished his participation in the Helix Technology.

On August 15, 2016, GRT was notified of a possible Polaris shutdown until the market improved and would not be able to support GRT for products outside the US. The decision was mutually made to end the sales and distribution agreement dated June 8, 2015 until further notice.

SUMMARY OF QUARTERLY RESULTS

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

	October 31, 2016 \$	July 31, 2016 \$	April 30, 2016 \$	January 31, 2016 \$	October 31, 2015 \$	July 31, 2015 \$	April 30, 2015 \$
Total Assets	495,015	624,409	811,421	1,073,819	1,357,589	1,189,402	1,150,098
Working Capital (Deficiency)	(1,357,179)	(1,227,178)	(418,485)	(233,191)	(4,003)	24,114	(54,968)
Revenue	7,433	23,438	23,438	260,080	261,835	171,966	–
Net Loss	(257,164)	(312,013)	(303,659)	(509,679)	(944,138)	(390,317)	(325,649)
Loss per Share	(0.01)	(0.01)	(0.01)	(0.01)	(0.03)	(0.01)	(0.01)

Factors causing significant variations in quarterly results are as follows:

During the three months ended April 30, 2015, the Company did not earn any revenues, and incurred operating expenses of \$325,649, comprised mainly of \$61,204 of professional fees, \$30,500 of consulting fees, \$45,000 of license fees for the change in exchange rates, \$44,418 for the amortization of property and equipment, and \$75,183 for the amortization of licenses.

During the three months ended July 31, 2015, the Company earned \$171,966 of revenues, and incurred operating expenses of \$542,854, comprised mainly of \$118,261 of professional fees, \$172,315 of subcontract services, \$44,472 for the amortization of property and equipment, and \$77,083 for the amortization of licenses.

During the three months ended October 31, 2015, the Company earned \$261,835 of revenues, and incurred operating expenses of \$635,090, comprised mainly of \$209,491 of salaries and wages, \$95,507 of subcontract services, \$44,156 for the amortization of property and equipment, and \$77,084 for the amortization of licenses. The significant increase in net loss is mainly due to the fair value of shares of \$900,000 issued to acquire a revenue contract, offset by a gain of \$302,242 on the acquisition of Global Remote Technologies, LLC.

During the three months ended January 31, 2016, the Company earned \$260,080 of revenues, and incurred operating expenses of \$618,560, comprised mainly of \$32,410 of professional fees, \$133,978 of salaries and wages, \$115,694 of subcontract services, \$26,680 of foreign exchange loss for the change in exchange rates, \$123,593 of travel expenses, \$46,231 for the amortization of property and equipment, and \$77,083 for the amortization of licenses.

During the three months ended April 30, 2016, the Company earned \$23,438 of revenues, and incurred operating expenses of \$327,097, comprised mainly of \$14,340 of professional fees, \$115,843 of salaries and wages, \$14,254 of subcontract services, \$63,232 of foreign exchange gain for the change in exchange rates, \$15,738 of travel expenses, \$44,527 for the amortization of property and equipment, and \$87,030 for the amortization of licenses.

During the three months ended July 31, 2016, the Company did not earn any revenue, and incurred operating expenses of \$312,013, comprised mainly of \$42,599 of professional fees, \$92,325 of salaries and wages, \$26,936 of foreign exchange loss for the change in exchange rates, \$43,980 for the amortization of property and equipment, and \$86,800 for the amortization of licenses.

During the three months ended October 31, 2016, the Company earned \$7,433 of revenue, and incurred operating expenses of \$264,597, comprised mainly of \$92,608 of salaries and wages, \$44,020 for the amortization of property and equipment, and \$86,921 for the amortization of licenses.

LIQUIDITY

As the market for our product is relatively new, a need exists to expedite market penetration which we intend to accomplish by leveraging our existing relationships. Our marketing strategy for each business sector will vary slightly; however, our focus for 2017 is the energy opportunities. With our existing contacts in the oil patch, the company is using the exploration and production configurations to introduce prospective clients to our products and services. Our combination of services and products allow us to promote our services in many different ways. The Company realized its first revenues of \$693,881 during the year ended January 31, 2016.

As at October 31, 2016, the Company held assets totaling \$495,015, consisting of \$778 in cash, \$2,327 in prepaid expenses, \$1 in short-term investments, \$83,101 in property and equipment and \$408,808 in intangible assets. As at October 31, 2016, the Company had total liabilities of \$1,360,285, comprised of \$80,438 of accounts payable, notes payable of \$237,506 and \$1,042,341 of due to related parties, of which \$653,787 is payable on May 1, 2017.

As at October 31, 2016, the Company had working capital deficiency of \$1,357,179 as compared to a working capital deficiency of \$233,191 at January 31, 2016. During the nine months ended October 31, 2016, the Company was able to raise \$89,985 by way of proceeds from the issuance of notes payable.

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

CAPITAL RESOURCES

The Company remains dependent upon equity markets for financing. The Company has negative cash flow from operations and is dependent upon raising equity financing to sustain its operations.

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

TRANSACTIONS WITH RELATED PARTIES

- a) As at October 31, 2016, the Company owed \$569,968 (US\$425,000) (January 31, 2016 – \$595,255 (US\$425,000)) to Prospector for the remaining consideration required under the agreement (Note 5). The amounts owing are unsecured, non-interest bearing, and due on demand. On March 18, 2015, the Company and Prospector entered into a Postponement Agreement, pursuant to which Prospector agreed to defer repayment of the remaining consideration of \$569,968 (US\$425,000) to May 1, 2017.
- b) On October 1, 2014, the Company entered into an employment agreement with the CEO of the Company for a base salary of US\$150,000 per annum, with a 5% increase per annum over a period of five years. During the nine months ended October 31, 2016, the Company incurred salaries and wages of \$155,468 (2015 - \$143,172) to the CEO of the Company. As at October 31, 2016, the Company owed \$347,389 (US\$259,033) (January 31, 2016 – \$230,983 (US\$167,417)) to the CEO of the Company, which is unsecured, non-interest bearing, and due on demand. On March 18, 2015, the Company and the CEO of the Company entered into a Postponement Agreement, pursuant to which the CEO agreed to defer repayment of \$83,819 (US\$62,500) of the total owing to May 1, 2017.
- c) On September 1, 2015, the Company entered into an employment agreement with the President of the Company for a base salary of US\$125,000 per annum, with a 5% increase per annum over a period of five years. During the nine months ended October 31, 2016, the Company incurred salaries and wages of \$123,387 (2015 - \$103,605) to the President of the Company. As at October 31, 2016, the Company owed \$124,983 (US\$93,195) (January 31, 2016 – \$nil) to the President of the Company, which is unsecured, non-interest bearing, and due on demand.
- d) During the nine months ended October 31, 2016, the Company incurred consulting fees of \$nil (2015 - \$34,501) and professional fees of \$nil (2015 - \$10,000) to the former Chief Financial Officer (“CFO”) of the Company. At October 31, 2016, the Company owed \$nil (January 31, 2016 – \$5,250) to the former CFO of the Company, which is included in accounts payable and accrued liabilities. The balance is unsecured, non-interest bearing, and due on demand.
- e) During the nine months ended October 31, 2016, the Company incurred professional fees of \$11,873 (2015 - \$8,824) to the Chief Financial Officer (“CFO”) of the Company. At October 31, 2016, the Company owed \$7,588 (January 31, 2016 – \$5,129) to the CFO of the Company, which is included in accounts payable and accrued liabilities. The balance is unsecured, non-interest bearing, and due on demand.

SHARE DATA

Capitalization as of October 31, 2016, and December 31, 2016:

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

As at October 31, 2016, there are 42,071,338 common shares issued and outstanding. As at December 31, 2016, there are 42,071,338 common shares issued and outstanding.

Stock Options

As at October 31, 2016, there are 200,000 stock options outstanding. As at December 31, 2016, there are 200,000 stock options outstanding.

Share Purchase Warrants

As at October 31, 2016, there are 1,256,600 warrants outstanding. As at December 31, 2016, there are 1,256,600 warrants outstanding.

OFF-BALANCE SHEET ARRANGEMENTS

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

CRITICAL ACCOUNTING ESTIMATES

The Company's critical accounting estimates include the useful life and amortization of property and equipment and intangible assets, measurement of share-based payments, and deferred income tax asset valuation allowances. Estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CHANGES IN ACCOUNTING POLICIES

The Company has not made any changes to its accounting policies. Management has considered that the following amendments, revisions and new IFRSs that are mandatory for annual periods beginning after January 1, 2017, or later periods might not have a material effect on our future disclosure, results and financial position:

- IFRS 9, *Financial Instruments*
- IFRS 15, *Revenue from Contracts with Customers*

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

FINANCIAL AND OTHER INSTRUMENTS

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

(a) Fair Values

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include credit risk, liquidity risk, and foreign exchange rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Fair Value Measurements Using			Balance, October 31, 2016
Quoted prices in active markets for identical instruments	Significant other observable inputs (Level 2)	Significant unobservable inputs	

	(Level 1) \$	\$	(Level 3) \$	\$
Cash	778	–	–	778

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

(b) Credit Risk

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

(c) Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has exposure to currency risk from revenue and purchase transactions, as well assets and liabilities, denominated in US dollars. The impact of a 10% increase in the United States foreign exchange rate on assets and liabilities denominated in US dollars would result in an increase in net loss of \$106,703. The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

(e) Liquidity Risk

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

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During the nine months ended October 31, 2016, the Company has generated \$7,433 of revenue from operations. During the nine months ended October 31, 2016, the Company incurred salaries and wages of \$300,776, amortization of intangible assets of \$260,751, amortization of property and equipment of \$132,527, professional fees of \$69,175, foreign exchange gain of \$8,269, share-based compensation of \$25,717, and subcontract services of \$15,698.

DISCLOSURE OF INTERNAL CONTROLS

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