PEAK POSITIONING TECHNOLOGIES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis, (MD&A) provides Management's point of view on the financial position and results of operations of Peak Positioning Technologies Inc., on a consolidated basis, for the twelve-month periods ended December 31, 2016 (Fiscal 2016) and December 31, 2015 (Fiscal 2015).

Unless otherwise indicated or unless the context requires otherwise, all references in this MD&A to "Peak", the "Company", the "Corporation", "we", "us", "our" or similar terms refer to Peak Positioning Technologies Inc. and its subsidiary Peak Positioning Corporation on a consolidated basis. This MD&A is dated April 28, 2017 and should be read in conjunction with the Audited Consolidated Financial Statements and the notes thereto. Unless specified otherwise, all amounts are in Canadian dollars.

The financial information contained in this MD&A relating to Fiscal 2016 and in our audited consolidated financial statements for the 12-month period ended December 31, 2016 has been prepared in accordance with International Financial Reporting Standards, (IFRS).

The audited consolidated financial statements and MD&A have been reviewed by our Audit

Committee and approved by our Board of Directors as at April 28, 2017

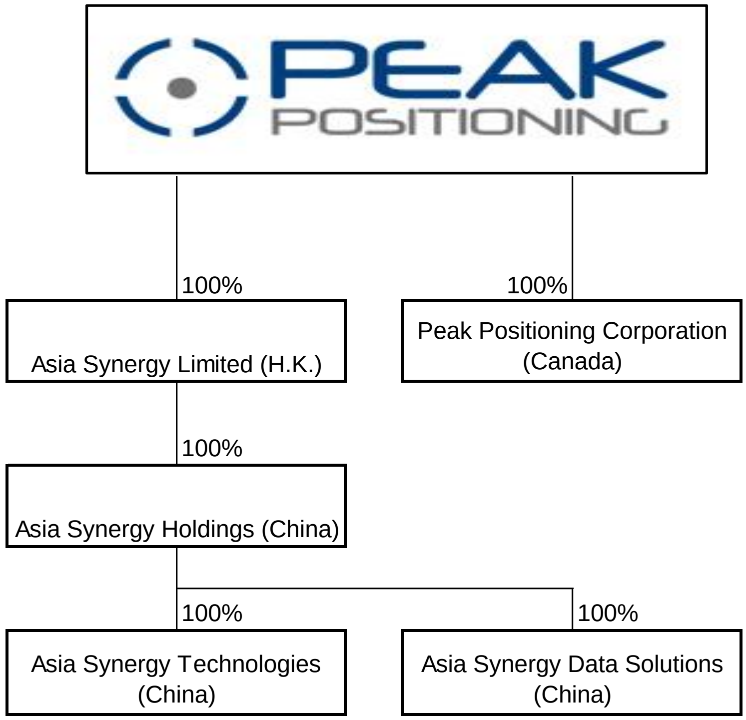
Forward looking information

Certain statements contained in this MD&A may constitute forward-looking information, which can generally be identified as such because of the context of the statements including words such as believes, anticipates, expects, plans, estimates, or words of similar nature. The forward-looking statements are based on current expectations and are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results. We refer potential investors to the "Risks and Uncertainties" section of this MD&A. The reader is cautioned to consider these and other risks and uncertainties carefully and not to put undue reliance on forward-looking information. Forward-looking information reflects current expectations regarding future events and speaks only as of the date of this MD&A and represents the Company's expectations as of that date.

The Company undertakes no obligation to update or revise the information contained in this MD&A, whether as a result of new information, future events or circumstances or otherwise, except as may be required by applicable law.

Structure

The following chart summarizes the corporate structure of the Company.



Business Overview

Peak (CSE: PKK) (PINK SHEETS: PKKFF), is an IT portfolio management company whose mission is to assemble, finance and manage a portfolio of high-growth-potential companies and assets in some of the fastest growing tech sectors in China, including buying/selling raw material products, fintech, e-commerce and cloud-computing. Peak provides its shareholders with the opportunity to participate in the fastest growing economic sectors of the world's fastest growing economy, in partnership with some of the most reputable and high-profile institutions in those sectors.

Operating Highlights for the Quarter

After a flurry of activities during the previous quarter related to the setup of the operations of its Chinese subsidiary, Asia Synergy Technologies ("AST"), the fourth quarter of 2016 was a rather uneventful one for the Company from an operational standpoint. However, that's not to say that nothing of significance took place during the quarter. After all the hard work to setup the company during the previous quarter, AST reached the CA$50M revenue mark in late November, a milestone it was able to achieve after only about two months of operation. During that time, a handful of new features were either added or activated on the Gold River platform, including "Group Purchasing", "Gold River Members Trading" and "Gold River Credit", described by AST as value-added services that could considerably add to the platform's appeal to clients and improve its profitability.

Another significant event worth noting was a trip that some of the Company's executives took to

China during the quarter, because that trip had a profound influence on the course of the Company's operations in China. Those executives had been to China on several occasions before, but what was special about this particular trip was that part of the trip was specifically organized to give the Company's executives a first-hand account of the financial issues and challenges faced by SMEs and microbusinesses in China. Those financial challenges, caused by some inefficiencies in the Chinese commercial lending landscape, presented the Company with a unique fintech business opportunity. The Company's executives therefore began to look for solutions that could be introduced to the Chinese commercial lending industry in order to facilitate and make credit transactions between lenders and businesses more efficient. This in turn led to discussions between the Company and Cubeler Inc. ("Cubeler"), the developer and operator of a Canadian-based fintech commercial lending platform, for the exclusive rights to commercialize the Cubeler platform in China. It was during those discussions with Cubeler that the Company came to the conclusion that it would be of great value to the Company to have its own affiliated/subsidiary financial institution able to help facilitate transactions on both Cubeler and Gold River. So in late December, the Company began to look into the implications of what that would entail. Needless to say that the decision to own an affiliated financial institution is one that is expected to have a significant impact on the Company's future operations in China.

Another event that took place during the quarter worth mentioning is the signing of the Company's promotional agreement with NAI Interactive Ltd. ("NAI"). NAI is an investor relations and market intelligence company with a network of more than 30,000 (mostly Chinese) members, which includes high net-worth investors, retail and institutional investors in North America, Hong Kong and China. The NAI agreement exposes the company to a new audience of prospective investors, financial as well as strategic partners.

Short-term and Mid-term Financial Needs

As an IT portfolio management company, Peak's business model is such that a significant portion of the working capital it needs to run its operations will eventually come from the free cash flows generated by its subsidiaries and portfolio assets. However, until such a time as Peak's subsidiaries and portfolio assets become profitable, the Company may continue to rely on conducting debt or equity financings to meet its short-term and mid-term working capital needs. In fiscal year 2016, the Company was able to successfully complete a series of short-term financings to help meet its working capital needs for the year. More details on these financings are provided in the discussion on financing below.

Business Plan and Outlook for 2017

The Company's primary mission in 2016 was to establish the foundations of its operations in China through the creation of an operating subsidiary, which would manage the launch and operation of the Gold River platform and lead to its first transactions and revenues. Although the revenues generated during the year were less than originally expected, partly due to voluntary deferment, the Company is pleased with what it was able to accomplish in 2016 and will look to continue to execute its business plan in 2017.

Now that AST and Gold River are operational, the focus of the Company in 2017, as far as AST is concerned, will shift from setup to growing revenues and profits. The commodities and raw materials trading business is one with very slim profit margins, and that's no different on Gold River. Although AST engages in the trading of commodities and raw materials through Gold River, revenues and profits generated from that activity are not and were never intended to be the main contributors to the Company's bottom line. The investment made to develop Gold River is expected to return dividends to the Company primarily though revenues and profits generated by the financial services, such as purchase order financing, facilitated by the platform. Since it was clear that AST wouldn't have the means to provide the aforementioned financial services itself, the initial phase of Gold River's business model called for AST to refer the requests for financial services on the platform to AST financial partner Zhonghai Wanyue ("ZHWY") until such a time as AST would be able to provide the services itself. So AST would earn a one-time fee for having referred the client requests to ZHWY. However, during the fourth quarter of 2016, the Company saw an opportunity to accelerate the process of having the financial services offered on Gold River be provided by an affiliated subsidiary and set things in motion to be able to seize that opportunity. Doing so would involve the Company creating and owning an affiliated financial institution and would allow for all revenues generated on Gold River to remain within the same family of companies. So one of the major objectives for the Company in 2017 will be to create Asia Synergy Financial Capital ("ASFC"), and have ASFC serve as the preferred financial services provider on the Gold River platform.

In addition to scaling revenues and profits on Gold River, another major objective of the Company in 2017 will be the operational launch of its recently created subsidiary, Asia Synergy Data Solutions ("ASDS"), which is expected to manage and operate the Cubeler platform in China. The Company will also aim to have the Cubeler platform launched and conduct its first transaction in China in 2017. Cubeler is a platform that facilitates credit transactions between a variety of different lenders and businesses by matching the lenders' credit criteria with the businesses that fit those criteria. Although ASFC will serve as the preferred and default lender on Cubeler, the successful commercialization of Cubeler will require that many other lenders be attracted to the platform. A key element to attract lenders to Cubeler will be to provide those lenders with an opportunity to have the credit they extend to businesses on the platform be insured against repayment default risk. Therefore the Company will also look to assist ASDS in signing an agreement with a reputable insurance company in China to provide such insurance coverage to Cubeler's registered lenders prior to the launch of the platform.

In summary, the expectations for the Company's operations in 2017 are for AST to settle into a steady pace of transactions and gradually improve profitability with the creation of ASFC, while ASDS begins the commercialization of the Cubeler platform. ASFC should be a very valuable asset and give the Company an added dimension for revenue and profitability growth in 2017 and beyond. This should begin to be reflected in the second half of 2017 and evidenced by the Company's financial statements.

Selected Annual Information

	Fiscal 2016	Fiscal 2015	Fiscal 2014
Net Revenue	$58,091,907	$36,400	$51,465
Net Loss	($2,649,702)	($1,828,399)	($1,247,540)
Basic and diluted loss per share	($0.008)	($0,013)	($0,012)
Total assets	$4,663,277	$755,945	$1,792,686
Total liabilities	$2,313,253	$1,503,821	$2,303,502
Long term liabilities	–	$261,145	$1,180,815
Equity (Deficiency)	$2,350,024	($747,876)	($510,816)

Results of Operations

Revenues

The Company generated $58,091,907 in the sale of raw material products in Fiscal 2016 ($36,400 in consulting revenues in Fiscal 2015).

The transactions that contributed to the Company's revenues and gross profit were limited to a specific category of transactions. Some purchase order transactions that would have required financing were postponed until such a time that ASFC would be in a position to provide the financing needed to complete the purchase orders. So the lower than expected gross margins realised by AST on the reported revenues can be attributed to the fact that transactions on which AST was expected to make higher profit margins did not happen in Fiscal 2016.

On a cumulative basis, revenues generated were at $58,091,907 with a gross profit of $289,669 of compared to $36,400 for the same period last year.

Operating expenses

The following schedule summarizes the operating expenses:

	December 31, 2016 (12 months)	**December 31, 2015 (12 months)**
Costs of materials	57 802 238	–
Salaries and fringe benefits and subcontracting	418 174	11 524
Board remuneration	63 846	–
Sales taxes and additions	2 668	–
Consulting	516 418	391 629
Management fees to officers and directors	210 793	204 644
Professional fees	190 357	211 913
Public relations	244 819	38 821
Office supplies, stationery and utilities	34 462	–
Rental expenses	197 735	24 000
Telecommunications	7 649	4 078
Insurance	16 348	13 574
Taxes, licences and permits	17 473	–
Finance costs	115 648	218 334
Server hosting and network fees	6 550	46 024
Travel and entertainment	116 107	16 658
Stock exchange costs	11 581	34 240
Transfer agent costs	9 233	20 669
Press releases	15 914	5 232
Other	2 978	17 898
Amortization of property and equipment	18 253	28 223
Amortization of intangible assets - technology platform	191 912	142 000
Gain on re-evaluation of contingent compensation payable	–	(230 000)
Impairment of goodwill	–	698 750
Impairment loss of investments	350 000	–
Impairment loss of Intangible assets - Technology platform	–	491 084
Forgiveness of debt	–	(614 375)
Extinguishment of debt	196 452	89 574
Loss (gain) on foreign exchange	(16 597)	–

	December 31, 2016 (12 months)	December 31, 2015 (12 months)
Total	60 741 011	1 864 494

Since the operations in, China started during the third quarter of Fiscal 2016, salaries were incurred accordingly. Except for the CEO who receives salaries since May 2016, salaries are for people working in China. No subcontracting costs were incurred during the year. In 2015 Salaries and fringe benefits and subcontracting amounting to $11,524 correspond to subcontracting costs related to web development services netted out of the excess of research and development tax credits received this year over the research and development tax credits provisioned the previous year.

Board remuneration corresponds to the share-based remuneration.

Consulting fees totaling $516,418 were incurred during the period ended December 31, 2016 of which $236,359 were to a related party for business development and the setting-up of our subsidiaries in China. The balance corresponds mainly to services rendered by consultants on the day to day accounting and financial operations and on consulting services related to the operations in China. In 2015, there were $391,629 incurred, of which $229,950 were for strategic advices in the preparation of its listing to the CSE, cash restructuring and share exchange agreement and capital structure. The balance relates to consulting fees for some due diligence work, fees for research and development claims and share-based remuneration.

Management fees amounting to $210,793 were incurred for Fiscal 2016 in conjunction with work done by the officers of the company. They also include the share-based remuneration. It should be noted that since May 2016, one of the management member is remunerated in salaries. (Fiscal 2015: $204,644)

Professional fees such as audit fees, legal fees and quarterly accounting costs totalled $190,357 in Fiscal 2016 (Fiscal 2015: $211,913).

All share-based remuneration was expensed and totalled $409,538 in Fiscal 2016 (Fiscal 2015: $138,081). These expenses are included in the following captions: salary and subcontracting, Board remuneration and management fees and consulting fees.

Interest charges on promissory notes, debentures and accretion of convertible debentures for Fiscal 2016 amounted to $115,648 (Fiscal 2015: $218,334).

Amortization of property and equipment amounted to $18,253 in Fiscal 2016 (Fiscal 2015: $28,223).

Amortization of Gold River technology platform amounts to $191,912 in 2016 while in 2015 it represents the amortization of the Quickable.com marketplace technology platform for an amount of $142,000.

The impairment of LongKey Hong Kong Ltd investment in 2016 for an amount of $350,000 resulted in the uncertainty surrounding the financial projections based on the lack of financial results since the date of acquisition until the end of the year. While in 2015 the impairment of goodwill resulted from specific indications of impairment for the Company’s Quickable cash generating unit (“CGU”), and amounted to a charge of $698,750 for the period ended December 31, 2015. In 2015, due to a lack of funding the Company did not have the financial resources to invest in the technology and monetize the platform. Consequently, the Company decided to completely wrote-off the assets related to Quickable, meaning the goodwill for which an impairment was taken and is described above and the technology platform for which an impairment loss was accounted for and represents $491,084 for Fiscal 2015.

There was no forgiveness of debt in 2016. In September 2015, the Company reached an agreement with Quick Technologies LLC whereby the debt settlement resulted in removing all past, present and future liabilities from the Company's books and it meant also that the Company was no longer required to share future revenues generated by these assets. As a result, the Company recognized a gain on the revaluation of the compensation payable for a total of $230,000. As a consequence, to the debt settlement with Quick Technologies LLC and others it resulted also an amount of $614,375 in the form of a forgiveness of debt.

In 2016, some of the debentures were converted into shares. Also, the maturity date and some conditions attached to the debentures were also renegotiated. These changes triggered a non-cash loss of $196,452. In fiscal year 2015, as a result of the renegotiation of the of the maturity date of the debenture by adding a conversion feature, the fair market value has increased, creating an extinguishment of debt amounting to $89,574.

Public relations amount to $244,819 in 2016 and results from a one-time contract signed with a public relation firm to better position the Company in the market. (Fiscal 2015: $38,821).

Rental expenses amounted to $197,735 in Fiscal 2016 and represented mainly the rent incurred by the operating company in China, (Fiscal 2015: $24,000).

Travel and entertainment amounted to $116,107 in 2016 mainly due to a few travels in China to start up the operations in AST (Fiscal 2015: $16,558).

All the other operating expenses totalled $108,257 in Fiscal 2016 (Fiscal 2015: $141,715). They included Office expenses $34,462 (Fiscal 2015: nil), telecommunications $7,649 (Fiscal 2015: $4,078), press releases $15,914 (Fiscal 2015: $5,232), server hosting and network fees $6,550 (Fiscal 2015: $46,024), insurance $16,348 (Fiscal 2015: $13,574); stock exchange costs: $11,581 (Fiscal 2015: $34,240); transfer agent costs $ 9,233 (Fiscal 2015: $20,669) and other costs $6,520 (Fiscal 2015: $17,898).

The Corporation incurred a net loss of $2,649,104 in Fiscal 2016 (Fiscal 2015: net loss of $1,828,399).

Summary of Quarterly Results

	December 31, 2016	December 31, 2015	September 30, 2016	September 30, 2015
	Three months	Three months	Three months	Three months
Revenues	$ 32 204 815	$ 0	$ 25 887 092	$ 0
Gross profit	$ 160 035	$ 0	$ 129 634	$ 0
Expenses	$ 1 517 869	$ 922 797	$ 605 966	$ 361 531
Net Loss	$ (1 357 834)	$ (922 797)	$ (476 332)	$ (361 531)
Earnings per Share	$ (0,003)	$ (0,003)	$ (0,001)	$ (0,003)

	June 30, 2016	June 30, 2015	March 31, 2016	March 31, 2015
	Three months	Three months	Three months	Three months
Revenues	$ 0	$ 16 280	$ 0	$ 20 120
Expenses	$ 506 392	$ 344 261	$ 309 144	$ 235 905
Net Loss	$ (506 392)	$ (327 981)	$ (309 144)	$ (215 785)
Earnings per Share	$ (0,002)	$ (0,002)	$ (0,002)	$ (0,002)

Fourth quarter ending December 31, 2016

The only events that are note-worthy for the fourth quarter relate to the issuance of 4,425,000 common shares resulting from the exercise of warrants for a total net proceeds of $221,250 and the agreement reached on December 31, 2016 to extend the maturity date of the debenture, which was set to mature on January 1, 2017, to April 3, 2017.

Operations

The Company's operations for the quarter focused mainly on its operations in China through the buying and selling of raw materials using the Gold River platform.

Liquidity

The level of revenues currently being generated by the Company is not presently sufficient to meet its working capital requirements. As of April 28, 2017, the Company's working capital is estimated to be negative $900,000. However, since the beginning of 2017, options, warrants and debenture conversion have been exercised and converted. As a result, an additional investment of $611,826 was injected. Also, the Company completed a private placement investment whereby an additional investment of $230,050 has been injected. Those additional investments, combined with on-going financing through private placements, will be used to expand the existing operations in China, launch the Cubeler fintech platform in China and for working capital purposes. In the opinion of management, this additional investment will be sufficient to meet the Company's current obligations and allow it to continue as a going concern for the next 12 months.

Financing

On January 8, 2016, the Company issued 764,000 common shares as a compensation for a debt settlement amounting to $38,200 related to consulting services rendered.

In 2016, the Company issued 10,260,650 and 7,425,000 common shares as the exercise of warrants at a price of $0.025 and $0.05 respectively for a gross proceed of $622,866.

In 2016, the Company issued 9,869,400 common shares as a result of the conversion of $493,470 worth of debentures. The conversion was made at a price of $0.05

Moreover, on June 6, 2016, the Company closed a private placement consisting in the sale of 199 million common shares at a price of $0.02 for a total consideration of $3,980,000. Each Unit sold as part of the private placement consists of one common share and warrant. Each warrant entitles its holder to purchase one common share of the Company at the price of $0.05, for a twenty-four month period following the closing date. The value attributed to the warrants is $1,751,198.

Capital Stock

The Company's capital stock for Fiscal 2016 was $11,576,483 compared to $7,905,789 for Fiscal 2015. The variation is explained by the common shares issued in connection with private placements and shares issued by the exercise of warrants amounting to $2,971,547, netted out of the issuance of warrants of $1,751,196, plus a settlement of accounts payable for $38,200 and the conversion of debentures for $660,947.

Common Shares

As of April 28, 2017, the Company had 439,342,820 shares outstanding. The following table summarizes the changes in shares outstanding from January 1, 2011 until April 28, 2017.

Date	Description	Number
Dec 31, 2010	Outstanding as of December 31, 2010	10 000 000
February 8, 2011	Acquisition of Peak Corp	30 000 000

Date	Description	Number
February 8, 2011	Finder’s Fee	500 000
February 8, 2011	Private placement	11 792 600
March 24, 2011	Private Placement	5 003 335
April 2011	Exercise of stock options	800 000
May 2011	Exercise of stock options	200 000
October 2011	Exercise of warrants	5 400
December 2011	Private placement	9 180 000
April 2012	Private placement	7 350 800
August 2012	Private placement	2 000 000
September 2012	Private placement	800 000
November 2012	Private placement	1 175 000
January 2013	Private Placement	2 814 295
April 2013	Private Placement	1 120 000
July 2013	Compensation for consulting services	1 265 500
July 2013	Private placement	700 000
September 2013	Private placement	3 500 000
October 2013	Compensation for consulting services	432 039
May 2014	Shares for debt	1 670 040
June 2014	Shares for debt	470 000
June 2014	Settlement for acquisition	20 000 000
July 2014	Shares for debt	377 080
August 2014	Private placement	2 780 000
August 2014	Issuance of bonus shares	1 000 800
December 2014	Issuance of common shares	17 450 000
February-March 2015	Issuance of common shares	7 550 000
July 2015	Compensation for consulting services	704 875
July 2015	Issuance of bonus shares	800 000
October 2015	Shares for debt	4 000 000
October 2015	Shares for debt	4 599 000
November 2015	Private Placement	25 003 750
December 2015	Private Placement	17 555 000
January 2016	Shares for debt	764 000
March 2016	Exercise of warrants	743 400
May 2016	Exercise of conversion of debenture	206 240
May 2016	Exercise of Warrants	2 492 250
June 2016	Private Placement	199 000 000
June 2016	Exercise of conversion of debenture	7 663 160
June 2016	Exercise of Warrants	8 112 000
July 2016	Exercise of Warrants	413 000
July 2016	Conversion Debenture	2 000 000
August 2016	Exercise of Warrants	1 500 000
November 2016	Exercise of Warrants	4 425 000

Date	Description	Number
January 2017	Exercise of Warrants	30 000
February 2017	Conversion Debenture	2 882 440
February 2017	Exercise of Warrants	870 000
March 2017	Exercise of Warrants	9 053 150
March 2017	Private Placement	1 533 666
April 2017	Exercise of Options	900 000
April 2017	Exercise of Warrants	4 155 000
Total		**439 342 820**

Share Purchase Options

As of April 28, 2017, the Company had 22,370,000 outstanding share purchase options. The following table summarizes the changes in options outstanding from January 1, 2011 until April 28, 2017.

Date of grant	Optionee	Number	Exercise Price	Expiration
September 2012	Investor relation consultant	200 000	$0.15	September 2017
May 2013	Investor relation consultant	250 000	$0.10	May 2018
August 2013	Employees	425 000	$0.05	August 2018
August 2013	Board members	795 000	$0.05	August 2018
May 2015	Employees	2 000 000	$0.05	May 2020
May 2015	Board members	750 000	$0.05	May 2020
May 2015	Investor relation consultants	1 000 000	$0.05	May 2020
May 2015	Consultants	700 000	$0.05	May 2020
September 2015	Consultants	500 000	$0.05	September 2020
November 2015	Employees	2 000 000	$0.05	November 2020
November 2015	Board members	600 000	$0.05	November 2020
December 2015	Consultant	2 500 000	$0.05	December 2020
May 2016	Consultant	150 000	$0.05	May 2021
July 2016	Board members and officers	10 500 000	$0.085	July 2021
	Total outstanding	**22 370 000**		

Share Purchase Warrants

As of April 28, 2017, the Company had 218,830,309 share purchase warrants. The following table summarizes the changes in warrants outstanding from January 1, 2011 until April 28, 2017:

Date	Description	Number	Exercise Price	Expiration
November 2014	Warrants issued to subscribers in connection with private placement	25 000 000	$ 0,050	November 2016
November 2015	Warrants issued to subscribers in connection with private placement	25 003 750	$ 0,025	November 2017
December 2015	Warrants issued to subscribers in connection with private placement	17 555 000	$ 0,025	December 2017
March 2016	Exercise of Warrants	-743 400	$ 0,025	N/A
May 2016	Exercise of Warrants	-1 200 000	$ 0,050	N/A
May 2016	Exercise of Warrants	-1 292 250	$ 0,025	N/A
June 2016	Exercise of Warrants	-100 000	$ 0,050	N/A
June 2016	Exercise of Warrants	-8 000 000	$ 0,025	N/A
June 2016	Exercise of Warrants	-12 000	$ 0,050	N/A
June 2016	Warrants issued to subscribers in connection with private placement	199 000 000	$ 0,050	June 2018
July 2016	Exercise of Warrants	-225 000	$ 0,025	N/A
July 2016	Exercise of Warrants	-188 000	$ 0,050	N/A
August 2016	Exercise of Warrants	-1 500 000	$ 0,050	N/A
November 2016	Exercise of Warrants	-2 675 000	$ 0,050	N/A
November 2016	Expiration of warrants	-17 575 000	$ 0,050	N/A
November 2016	Exercise of Warrants	-1 750 000	$ 0,050	N/A
January 2017	Exercise of Warrants	-30 000	$ 0,025	N/A
February 2017	Exercise of Warrants	-750 000	$ 0,025	N/A
February 2017	Exercise of Warrants	-120 000	$ 0,050	N/A

Date	Description	Number	Exercise Price	Expiration
March 2017	Exercise of Warrants	-8 373 150	$ 0,025	N/A
March 2017	Exercise of Warrants	-680 000	$ 0,050	N/A
March 2017	Warrants issued to subscribers in connection with private placement	1 640 359	$ 0,200	N/A
April 2017	Exercise of Warrants	-3 955 000	$ 0,025	N/A
April 2017	Exercise of Warrants	-200 000	$ 0,050	N/A
Total		218 830 309		

<u>Convertible Securities</u>

As of April 28, 2017, the Company had two convertible debentures outstanding as described in the notes to the consolidated financial statements for the year ended December 31, 2016. One of them was converted in 2017 for a total of $144,122 and for the other one the maturity was extended to June 2017.

<u>Escrowed shares</u>

As of April 28, 2017, the Company had no escrowed shares.

Related Party Transactions

During the period ended December 31, 2016 (Fiscal 2015: Nil), the Company incurred an amount of $236,359 of consulting services from a shareholder who is also a director of the Company. The services relate to strategic advice and for business development and the creation and the setting-up of our subsidiaries in China.

During the period ended December 31, 2016, the Company incurred management fees of $127,325 as remuneration to two officers. From May 2016, one officer was remunerated as salaries. (Fiscal 2014: management fees to two officers amounted to $192,000)

Salaries paid to officers amounted to $141,116 in Fiscal 2016 compared to Nil in Fiscal 2015.

Share-based payments associated with salaries and management fees amounted to $382,537 in Fiscal 2016 compared to $10,761 in Fiscal 2015.

During the period ended December 31, 2016, the company incurred interests on promissory notes and debentures from officers and directors of $17,901 (December 31, 2015: $22,007).

Off-Balance-Sheet Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

Accounting policies

The principal IFRS accounting policies set out in Note 4 to the Consolidated Financial Statements have been consistently applied to all periods presented in such financial statements.

Legal proceedings

As of April 28, 2017, there were no legal proceedings against the Company.

Financial Instruments

The Company has classified its financial instruments into two categories: cash as "loans and receivable" and accounts payable and accrued liabilities, other current financial liabilities and debentures as "financial liabilities". The Company is exposed to various risks as described in the Note 23.2 of the Consolidated Financial Statements as of December 31, 2016.

Patent Summary

As of the date of this MD&A the Company had no patents pending.

RISKS AND UNCERTAINTIES

Risk factors that may adversely affect or prevent the Corporation from carrying out all or portions of its business strategy are discussed in the Corporation's Filing Statement dated January 6, 2011 available on SEDAR at www.sedar.com. Other risks include:

Liquidity Risk

The Company has no history of operations and is in the early stage of development and has not received significant revenues. As such, it is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Additional Financing

The Company may require additional financing in order to repay its creditors or other debts, make further acquisitions, investments or take advantage of unanticipated opportunities. The ability of the Company to arrange such financing in the future will depend upon prevailing capital market conditions, and the business success of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on satisfactory terms. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

Patents

As of the date hereof, the Company had no patents granted or pending. It should be noted however, that being granted patent protection on its technology is not a prerequisite to the commercialization of Peak's product offerings, and should have no material impact on Peak's short-term performance.

Foreign Jurisdiction Risks

The Company has made significant investments in the pursuit of business opportunities in China, which exposes it to different considerations and other risks not typically associated with companies in Canada.

FURTHER INFORMATION

Additional information about the Company can be found at www.sedar.com

April 28, 2017

(s) Laval Bolduc	***(s) Johnson Joseph***
Laval Bolduc, Chief Financial Officer	Johnson Joseph, President & CEO