Wavefront Technology Solutions Inc.

Quarterly Report

For the second

Quarter ended

February 28, 2019

The following discussion and analysis of financial results should be read in conjunction with the unaudited financial statements and the accompanying notes for the quarter ended February 28, 2019 and 2018 and is based on information available to April 29, 2019. Additional information on Wavefront Technology Solutions Inc.'s (the "Company" or "Wavefront") is available on SEDAR at www.sedar.com.

Management's Discussion and Analysis of Financial Condition and Results of Operations

MANAGEMENT'S RESPONSIBILITY

Management has prepared this Management's Discussion and Analysis ("MD&A"). The MD&A is based upon Wavefront Technology Solutions Inc.'s (the "Wavefront" or "the Company") financial results prepared in accordance with IFRS. The MD&A primarily compares the unaudited financial results for the second quarter ended February 28, 2019 and 2018. Management has established and maintains an accounting and reporting system supported by internal controls designed to safeguard assets from loss or unauthorized use and ensure the accuracy of the International Financial Reporting Standard's ("IFRS") financial records (also see section titled "Controls and Procedures" page 21). The financial information presented throughout this MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements and related notes for the quarter ended February 28, 2019 and 2018 as well as the audited consolidated financial statements for the period ended August 31, 2018 and 2017 and the related notes.

Unless otherwise indicated, all amounts shown below are in Canadian dollars. Additional information regarding our Company is available on SEDAR, www.sedar.com. Such additional information is not incorporated herein, unless otherwise specified, and should not be deemed to be made part of this MD&A.

The Audit Committee of the Board of Directors, whose members are independent as defined in National Instrument 52-110: Audit Committee, met to review the condensed consolidated interim financial statements with management, and has reported to the Board of Directors thereon. On the recommendation of the Audit Committee, the Board of Directors has approved the condensed consolidated interim financial statements on April 29, 2019.

NON-IFRS MEASURES

The Company uses both IFRS and additional and non-IFRS measures to make strategic decisions, to set targets and use in operating activities, and believes that these non-IFRS measures provide useful supplemental information to investors. "Working capital", "gross profit", "gross profit margin", "other technology revenues", and "EBITDA" are measures used by the Company that do not have a standard meaning prescribed by IFRS and may not be comparable to similar measures used by other companies.

- EBITDA, an acronym for earnings before interest, taxes, depreciation, and amortization, is calculated by adding back all interest, tax, depreciation and amortization to net loss. EBITDA is a non-IFRS measure with the most comparable IFRS measure being net income (loss).

- Gross profit is calculated by deducting cost of sales which includes direct costs, such as direct materials, direct labour, travel related expenditures, sub-contractors, shipping, duties and taxes, from gross revenue. Gross profit margin is calculated by dividing the gross profit by gross revenue. Gross profit is a non-IFRS measure with no comparable IFRS measure;

- Other technologies revenue consists of Primawave and Performance Drilling revenues. Other technologies revenues are non-IFRS measures with the most comparable IFRS measure being revenues, and,

- Working capital is calculated by subtracting current liabilities from current assets. Working capital is a non-IFRS measure with no comparable IFRS measure;

Non-IFRS measures are viewed as key information as the chief decision maker, being the President and Chief Executive Officer, regularly reviews such measures in making expense and capital investment decisions.

Overview of Business

As an Oil Field Service ("OFS") provider Wavefront is industry leader in the advancement of dynamic fluid flow technology for oil and gas well stimulation and Improved/Enhanced oil ("IOR/EOR") recovery. Wavefront's core technology, marketed under the brand name, "Powerwave™", has proven to increase oil and gas production rates; decrease oil production decline rates; and, reduce well stimulation chemical costs while also increasing post-stimulation production or injection sustainability rates.

Powerwave is marketed in two primary areas to exploration and production ("E&P) companies:

i. Well stimulation; and,
ii. Improved or Enhanced Oil Recovery ("IOR/EOR").

A well stimulation is an operation performed on a well to restore or enhance productivity or improve injection. In most instances a chemical is pumped into the well to stimulate a producing or injection interval. In other cases stimulation is used to remove scales such as calcium carbonate or barite, to rid a well of accumulated waxes on tubulars or to remove sand fill. Powerwave stimulations may take several hours to several days.

IOR/EOR targets stranded or bypassed oil in reservoir which is very difficult to produce due to various physical limitations. The common theme in all IOR/EOR (except acoustic or electromagnetic) projects is the injection of a fluid to mobilize bypassed oil. Powerwave IOR/EOR projects are usually 12 months or longer in duration.

Wavefront currently has distribution, agency or representation ("Distributor") agreements that encompass representation in 65 countries and permit Distributors to market and resell the Company's suite of technologies to end users or E&P's. Distributors are effective alternative distribution channels used to leverage Wavefront's global reach as well as reducing the Company's overall infrastructure as the Distributor deals directly with their customers; the end users or E&Ps. The agreements provide that the Distributor is generally responsible for contracting directly with and fulfilling the provision of goods or services to the end user, i.e., E&Ps, or their customers, and thus the Distributor is responsible for the execution and costs of work performance with their customers, inclusive of their customer's satisfaction for its entire general and administrative, sales and marketing expenses. Wavefront is also not exposed to the credit risk decisions of the Distributor; thus, the Distributor bears all risks and rewards in dealing with its customers. Like any other customer Wavefront does however, have credit risk in collections from its Distributors.

Distribution agreements do not generally provide for established pricing to end users or E&P's in each country but instead provide a pre-negotiated amount that Wavefront can expect to receive for each bundled Powerwave job or service the Distributor provides to the end user or E&P. The Distributors however, are entitled to deduct any commissions, fees or foreign tax withholdings from any amounts paid to Wavefront; thus, Wavefront recognizes the net amounts received in its revenue recognition. Wavefront is responsible for supplying Powerwave tools to the distributor; Powerwave tool replacement, if needed; certain proprietary inventory type items required to rebuild or refurbish Powerwave tools, or consumables; and, if needed all Powerwave modeling, and the provision of remote technical support.

Wavefront also sells directly to end users or E&Ps, and other non-distributors, in which case the Company is responsible for fulfilling the provision of goods or services to the end user, i.e., E&Ps. In dealing with end users or

E&P or non-Distributor, Wavefront negotiates an amount that it can expect to receive for each bundled Powerwave job or service.

Wavefront has typically, regardless of dealing with an end user or E&P directly as a customer or dealing with its Distributors and despite the of application (i.e., a Powerwave stimulation or IOR/EOR project), bundled its services, jobs or projects, which may include some or all of: modelling and programming, tool mobilization and installation, tool rental (or sale), Powerwave licensing, and demobilization. As all Powerwave components are transferred consecutively to the customer (i.e., regardless if and E&P or non-distributor, or a Distributor), the customer only receives economic benefits from the Powerwave service over the licensed period (i.e., be it a shorter period for Powerwave stimulation or a longer period for an IOR/EOR project).

Many Powerwave tools carryout a patented process; thus, the operation of such tools requires a limited license. Wavefront's patent portfolio encompass i) a utility patent(s) related to the general process of dynamic fluid injection (i.e., the Powerwave process) where there is communication with the well bore and geological structure; and, ii) design patents which cover specific tool designs that provide for dynamic fluid injection. Wavefront's patents were registered in various jurisdictions where the Company anticipated future work, and have various expiry dates. As a result, the Company generates revenues in some countries where it does not have registered patents, but is protected by its licenses, non-compete and non-circumvent agreements, other intellectual properties (such as the proprietary Powerwave model), etc.

In addition to the aforementioned patent portfolio, the Company's intellectual properties include "know how" or trade secrets to install and to properly operate Powerwave tools, and a proprietary model which details predictive outcomes and operating protocols for Powerwave well stimulations as related to specific reservoir conditions. The proprietary model, in certain geographic regions, may be more integral to the Company's current business than its patents. As Distributor's essentially re-sell to their customers, Wavefront provides "certified" training of Distributor personnel in the use of Powerwave tools. However, all Powerwave modelling and job programming is tightly controlled and is performed only by certain Wavefront personnel at the Company's head office in Edmonton, AB.

As a technology based company, Wavefront endeavors to continuously develop new technologies and seek new patents, and as such the Company's intellectual property portfolio will continue to evolve.

OUTLOOK

The Company believes geopolitical and dynamic market forces will continue to play a key role in the spending of E&P companies globally throughout the remainder of calendar 2019. For the six months ended February 28, 2019 Wavefront's Distributors in the Middle East experienced lower than expected activity levels related to budgetary restraints with certain National Oil Companies (NOC's). It is anticipated that a number of Wavefront Distributors may see stronger demand for well services, including Powerwave, in the second half of calendar 2019 from certain NOC's who may be called upon to replace the approximate one million barrels of oil per day anticipated to leave the marketplace resulting from the imminent cancellation of import waivers for Iranian oil.

In the United States the Company has experienced slower than expected return to historical work levels as early 2019 WTI crude oil prices held E&P budgets in a maintenance mode; thus, impacting the Company's revenue generating ability in its well stimulation business segment. However, with the recent increases in WTI prices we anticipate to see an increase in activities into the fourth fiscal quarter and beyond. This expectation is buoyed by the Company's efforts to align with third party Distributors of its stimulation product line.

Subsequent to the reporting period, the Company announced the growing importance of innovating Powerwave technology as a coiled tubing agitator and adding complimentary technology such as a multi-lateral tool thus allowing the Company to enter a market segment it is currently unable to service. It is believed that innovation will place its distributors in a better position to capture a larger market share while improving the Company's overall revenue generating opportunity.

OVERALL RESULTS FROM OPERATIONS

Wavefront operates with one reportable segment that covers all aspects of the Company's business.

Wavefront considers the basis on which it is organized, including the economic characteristics (such as the nature of the products and service and any bundling or cross use thereof, types of customers, operating segment served within the industry and similarity of segments with other OFS companies, quantitative and qualitative thresholds, etc.) and geographic areas, in identifying its reportable segment. The operating segment of the Company is defined as components of the Company for which separate financial information is available and is evaluated regularly by the chief operating decision maker in allocating resources and assessing performance. The chief operating decision maker of the Company is the President and Chief Executive Officer.

Within this MD&A, however, Wavefront provides additional product level information such as revenues by product line and geography, and gross profit margins[1] by product line, as it believes this additional supplemental information is useful to investors with respect to the development of the business.

For the six months ended February 28, 2019, gross revenues amounted to $1,838,640 an increase of $705,340 or 62.2% from the comparative reporting period revenues of $1,133,300. Of the revenues for the reporting quarter, $1,656,290 relates to Powerwave stimulations, with $1,336,923 of those revenues being derived from the Middle East, an increase of $646,549 or 93.7% over the comparative period. The Company continues to focus business development efforts with its Distributors in the Middle East generating revenues of $651,418 in Kuwait, and $622,463 in the Kingdom of Saudi Arabia related to Powerwave stimulations for the six months ended February 28, 2019.

The Company also continues to work with its Distributor in Kuwait towards the implementation of Wavefront's WaveAxe process for micro-fracturing of unconventional reservoirs. To support WaveAxe work in Kuwait, the Company concluded its collaborative work with two professors at the University of Waterloo to develop a micro-fracture model to predict possible fracture network density which will allow for a precise well stimulation program procedure to be designed.

The Company continues to work on service orders received in other international jurisdictions where it has distributors including, but not limited to, Oman where it has recognized Powerwave stimulation and Other Technology revenues of $86,204 year to date, and $151,389 related to a Powerwave IOR/EOR project. The Company will continue to work with its distributors to carry out all previously announced service orders in each of the other international jurisdictions and anticipates progress towards completion later in the fiscal year.

[1] Gross profit margin is gross profit divided by gross revenue. Gross profit margin is a non-IFRS measure with no comparable IFRS measure.

By continuing to leverage Wavefront's distributor's network with a strong focus on Powerwave well stimulation, the Company has increased its gross profits by $675,519 from the comparative period, while also reducing its general and administrative, sales and marketing, amortization and depreciation, research and development expenses, and loss on disposal of property, plant and equipment by $379,211 from the comparative period. As a result, the Company's net losses, for the six months ended February 28, 2019 decreased by $1,057,928 or 78.5% to $289,771 (or basic and diluted net loss per share of $0.003), compared to the comparative periods reported net a loss of $1,347,699 (or basic and diluted net loss per share of $0.016). For the six months ended February 28, 2019, the Company was also able to generate cash flows from operations of $184,795 an increase of $1,618,596 over the comparative period which saw cash used in operations of $1,433,801.

For the second quarter 2019 (i.e., three months ended February 28, 2019) gross revenues amounted to $894,887 (three months ended February 28, 2018 - $856,633). Of the revenues for the reporting quarter, $815,885 relates to Powerwave stimulations, with $683,419 of those revenues being derived from the Middle East.

For the second quarter 2019, the Company has also been able to decrease expenses, excluding costs of goods sold, by $291,432 from the comparative quarter resulting in a reduction of net losses by $267,272 or 52.3% to $243,823 (or basic and diluted net loss per share of $0.003), compared to the comparative quarter's reported net a loss of $511,095 (or basic and diluted net loss per share of $0.006).

Impairment

As at February 28, 2019, the Company assessed impairment indicators for the Company's Powerwave cash generating unit ("CGU") and concluded that no indicators of impairment were present.

Consolidated Results – six-months ended February 28, 2019

Revenues

Revenues for the six months ended February 28, 2019 amounted to $1,838,640, an increase of $705,340 or 62.2% from the comparative period revenues of $1,133,300. Revenues related to Powerwave stimulations for the period ended February 28, 2019 increased by $757,852 or 84.4% to $1,656,290 compared to $898,438 in the comparative period. Powerwave stimulation revenues for the reporting quarter from the Middle East had the most dramatic impact to revenue increasing by $646,549 or 93.7% to $1,336,923. North American stimulation revenues totalled $140,432 and remain behind historical norms, while Powerwave stimulation in other international regions totalled $178,934.

Revenues for the six months ended February 28, 2019 related to Powerwave IOR/EOR projects totalled $151,389 (2018 - $121,205). The Company's sole IOR/EOR project is in Oman and is denominated in United States currency. At each reporting date all foreign currency projects are re-valued and translated into Canadian currency. Current exchange rates may impact international IOR/EOR project revenue recognition amounts.

Geographically, $145,632 (2018 – $212,897) in revenue was generated in North America, $1,511,474 (2018 - $739,024) in the Middle East, and $181,534 (2018 - $181,379) in other international geographic regions. The geographic revenues are more specifically described as follows:

North America: Revenues in North America decreased by $67,265 to $145,632 compared to $212,897 in comparative quarter principally due to the below noted Disposition of the tubing pumps and bailer cash generating unit and related asset. Powerwave stimulation revenues in North America however, increased by $41,192 or 41.5% to $140,432 (2018 - $99,240) but have still to return to historical norms; Other Technology revenues totalled $5,200 (2018 - $17,207); and tubing pump and bailer revenues totalled $nil (2018 - $96,450) due to the below noted Disposition.

Middle East: Revenues in the Middle East increased by $772,450 or 104.5% to $1,511,474 (2018 - $739,024). Powerwave stimulation revenues in the Middle East increased by $646,549 or 93.7% to $1,336,923 (2018 - $690,374); Powerwave IOR/EOR projects revenues totalled $151,389 (2018 - $48,650); and Other Technology revenues totalled $23,162 (2018 - $nil).

Other International: Revenues outside of North America and the Middle East remained flat decreasing by $155 to $181,534 (2018 - $181,379). Powerwave stimulation revenues in other international markets totalled $178,934 (2018 - $108,824); Powerwave IOR/EOR projects revenues totalled $nil (2018 - $72,555); and Other Technology revenues totalled $2,600 (2018 - $nil).

Costs of Sales

Under IFRS cost of sales includes direct labour, wage benefits and associated stock option benefits, consumable (i.e., inventory) parts, as well as third party installation costs of Powerwave, Primawave, tubing pump and bailer product lines.

Any losses related to Powerwave projects are immediately recognized and have the effect of increasing direct cost for the period in which they occur or are known to occur. The use of Distributors has resulted in decreases in field labour, field compensation, equipment expenses and consumable parts, as the Distributors are undertaking a greater percentage of these expenses relative to dealing with E&Ps or non-distributor customers.

Costs of sales for the six month period ended February 28, 2019 were $264,050 or 14.4% of revenues (February 28, 2018 - $234,229 or 20.7% of revenues), which is principally a result of:

i) A greater proportion of revenues being derived through distributors over direct sale to E&Ps or non-distributor customers;

ii) The comparative period costs of sale were impacted by the higher costs of sale (i.e., higher relative to Powerwave product lines) associated with the Disposition of related assets to tubing pumps and bailer tools; and,

iii) A one-time expense credit or expense reduction of $29,566 in Powerwave stimulation costs related to the reversal of prior period accruals (i.e., November 30, 2018).

Costs of sales associated with Powerwave IOR/EOR projects totalled $121,752, whereas costs of sales for all Powerwave stimulations approximated $138,729 or 8.38% or Powerwave stimulation revenues. Powerwave stimulation costs of sales were positively impacted by the aforementioned reduction of $29,566 in accruals in the prior quarter (i.e., the three months ended November 30, 2018).

Expenses

General and administrative, sales and marketing, research and development, and amortization and depreciation expenses for the six months ended February 28, 2019, aggregated to $1,875,795, compared to $1,997,731 in February 28, 2018. The changes within these expenses were principally a result of the following changes:

i) Selling and marketing expenses decreased by $64,970 to $317,075. The decrease principally relates to decreases of fully built up functional wage allocation of $31,178 that relates to the leveraging of distribution channels in the Middle East and the below noted Disposition of the tubing pumps and bailer assets and Lloydminster location. The decrease also includes decreases in travel related expenses to the Middle East of $42,916, and a decrease of $2,582 in marketing and advertising expense. Offsetting the aforementioned decreases was an increase of $18,722 in consulting fees related to the aforementioned WaveAxe study to validate the micro-fracturing modelling for unconventional reservoirs.

ii) Amortization and depreciation expense remained relatively stable, decreasing by $31,384 to $111,220 from the comparative period. The lower amortization and depreciation expense is a result of prior period non-cash impairment charges.

iii) General and administrative expenses decreased by $25,256 (February 28, 2019 - $1,403,290; February 28, 2018 - $1,428,246). The change in general and administrative expenses was principally a result of the following:

- Office expense decreased by $86,239 to $275,360, and principally relate to the below noted Disposition of the tubing pumps and bailer assets and the assignment of the Lloydminster office and warehouse lease.

- Repairs and maintenance expenses decreased by $44,879 to $47,309, and principally relate to the Disposition of the tubing pumps and bailer and related assets and the field work related to that product line.

- Vehicle expenses also decreased by $44,757 to $18,329, and principally relates to the Disposition of the tubing pumps and bailer and related assets and the field work related to that product line, and the increase in work being done through Distributors.

- Share based payments remained relatively flat decreasing by $2,333 to $23,500. The current period's share based payments relate solely to the Company issued 200,000 stock options to a firm the Company engaged to assist in investment relations. $9,639 in unamortized expense from the valuation of the 200,000 stock options is the only unamortized stock option expense that will be expensed over future periods. Consulting expenses also remained relatively flat decreasing by $1,285 to $192,797, and principally relates to the mix in the number and types of engagement of reservoir engineering consultants and representatives in the Middle East, which was offset by increases in engineering consulting fees related to new tool development and IT consulting.

- Offsetting the above noted decrease were increases in: professional fees increased by $101,482 to $238,926; bad debt expense increased by $31,200 from an expense credit to a bad debt expense of $729; public company and listing fees remained relatively flat increasing by $8,515 to $97,032; and wage and benefits also remained relatively flat increasing by $13,117 to $508,215. The increases of professional fees principally relate to non-capital patent legal expense, consultations with securities lawyers and non-audit accounting fees in the current period. The increase in bad debt expense principally relates to a prior quarter's prior period's collection of aged accounts. Whereas the changes within wage and benefit expenses are principally a function of decrease in allocations to other functional expense categories, in particular costs of goods sold and sales and marketing; as overall wage and wage benefits paid (i.e., irrespective of functional allocation amounts) amounted to $878,448 (as of February 28, 2018 - $982,853), the decrease of which relates to the Disposition of the tubing pumps and bailer and related assets. The increase in public company and listing fees principally relate to increases in independent board member honorariums.

In the prior year end the Company recorded bad debt expense of $431,842 against a Permian Basin-based client's aged accounts over 120 days. Despite the bad debt expense, the Company's Management continue to aggressively pursue and secure the outstanding amount owing including interest, to Wavefront. Should any receipt of payment occur, Wavefront will record a bad debt recovery, i.e., an expense credit, reversing the bad debt expense, and will disclose accordingly.

iv) Research and development expense remained relatively stable, decreasing by $326 to $44,210. Of the wage expense within research and development $23,959 relates to labour of the Company's physicist and reservoir engineer that support our Powerwave product line, which decreased by $16,048 over the comparative period.

In addition to the general and administrative, sales and marketing, research and development, and amortization and depreciation expenses, in the comparative period only, the Company incurred a loss on disposal of property, plant and equipment of $258,017. The loss on disposal resulted from the Company's shift in focus to Powerwave stimulations that have more favourable profit margins and a decision to dispose of the tubing pump and bailer CGU, which had a growing trend of unprofitable results. The disposal included: tubing pump and bailer tools at various locations along with certain other property plant and equipment, and inventory, together with the assignment of the Lloydminster field office lease that was assumed by the purchaser (together the "Disposition").

Total consideration for the Disposition was $75,000, which was paid by the purchaser subsequent to the reporting period, with an offsetting recorded net loss on disposal of the property plant and equipment, and inventory of $258,017. The $75,000 consideration was recorded as a receivable as at February 28, 2018.

Summary of Disposition	Tools and equipment	Automotive and office equipment	Leasehold improvements	Total
Cost	407,714	73,803	271,728	753,245
Accumulated depreciation	(311,308)	(58,512)	(154,872)	(524,693)
Net book value	96,406	15,291	116,856	228,552
Inventory				104,465
Proceeds				(75,000)
Net loss				(258,017)

Net Finance Section of Income

Interest income of $16,613 (2018 - $13,005) includes interest earned for the reporting period of $16,613 (2018 - $7,770), with the foreign exchange gain in the comparative period only of $5,235. Interest earned in the current period was higher as a result of the private placement that was closed and announced on July 17, 2018 and resulting increase in investments.

Financing cost of $4,437 (2018 - $4,027) includes interest expense for the reporting period of $3,203 (2018 - $4,027) relates, in both periods, to the financing of insurance coverage in order preserve cash resources, with a foreign exchange loss in the current period only of $1,234.

Operating Cash Flows

The following table sets out the cash used in operations for the six months ended February 28, 2019 and 2018:

	Six months ended	
	February 28, 2019	**February 28, 2018**
Net loss	$ (289,771)	$ (1,347,699)
Amortization and depreciation	111,220	142,604
Share-based payments	23,500	32,727
Interest expense	3,203	4,027
Loss on disposal of property, plant and equipment, and inventory	742	260,085
Impact of foreign translation	(6,380)	8,224
Changes to loss not including cash		
Change in trade and other payables	153,651	(303,806)
Change in prepaid expenses	101,495	(336,957)
Change in unearned revenue	66,259	12,175
Change in trade and other receivables	56,234	83,616
Interest paid	(3,203)	(4,027)
Change in inventory	(32,155)	15,230
Cash from (used) in operating activities	$ 184,795	$ (1,433,801)

In addition to the loss on disposal of property, plant and equipment and inventory in 2018 of $258,017 (as noted in the above Disposition), the Company incurred a loss on disposal of property, plant and equipment of $2,068 that was classified as costs of sale in the condensed consolidated interim statement of net loss.

Cash used in operating activities were negatively impacted by the net changes in non-cash working capital items (see Liquidity section below).

Net Loss and Comprehensive Loss, and Loss Per Share

The net loss for the six months ended February 28, 2019 decreased by $1,057,928 to $289,771 (or basic and diluted net loss of $0.003 per share), compared to the net loss of $1,347,699 (or basic and diluted net loss of $0.016 per share) for the comparative period ended February 28, 2018.

Earnings before interest tax, depreciation and amortization ("EBITDA")

The following table sets out the Company's EBITDA loss and EBITDA loss per share:

	Six months ended	
	February 28, 2019	February 28, 2018
Net loss	$ (289,771)	$ (1,347,699)
Items not affecting cash		
Amortization and depreciation	111,220	142,604
Interest and tax expense	3,203	5,033
EBITDA	$ (175,348)	$ (1,200,062)
EBITDA loss per share	$ (0.002)	$ (0.014)

note 1: EBITDA is calculated by adding back all interest, tax, depreciation and amortization to net loss, and is further discussed in Non-IFRS Measures

Consolidated Results – three months ended February 28, 2019

Revenues

For the second quarter ended February 28, 2019 gross revenues amounted to $894,887, increasing $38,254 over the comparative quarter ended February 28, 2018 that recognized revenues of $856,633. Revenues related to Powerwave stimulations for the second quarter 2019 increased by $93,066 to $815,885 compared to $722,819 in the comparative quarter. Powerwave stimulation revenues for the reporting quarter for the Middle East were $683,419. North American stimulation revenues remained flat totalling $55,451 (2018 - $55,577) and remain behind historical norms, while Powerwave stimulation in other international regions totalled $77,014 (2018 - $12,617).

For the second quarter 2019 revenues related to Powerwave IOR/EOR projects totalled $53,240 (2018 - $72,341). The Company's sole IOR/EOR project is in Oman and is denominated in United States currency. At each reporting date all foreign currency projects are re-valued and translated into Canadian currency. Current exchange rates may impact international IOR/EOR project revenue recognition amounts.

Geographically, $55,451 (2018 – $117,050) in revenue was generated in North America, $759,821 (2018 - $703,275) in the Middle East, and $79,614 (2018 - $36,308) in other international geographic regions. The geographic revenues are more specifically described as follows:

> **North America**: Revenues in North America decreased by $61,599 to $55,451 compared to $117,050 in comparative quarter. Powerwave stimulation revenues in North America remained relatively flat at $55,451 (2018 - $55,577) but have still to return to historical norms; and Other Technology revenues totalled $nil (2018 - $8,038); and tubing pump and bailer revenues totalled $nil (2018 - $53,435) due to the aforementioned Disposition.
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> **Middle East**: Revenues in the Middle East decreased by $56,546 to $759,821 (2018 - $703,275). Powerwave stimulation revenues in the Middle East decreased by $28,794 to $683,419 (2018 - $654,625); Powerwave IOR/EOR projects revenues totalled $53,240 (2018 - $48,650); and Other Technology revenues totalled $23,162 (2018 - $nil).

Other International: Revenues outside of North America and the Middle East increased by $43,306 to $79,614 (2018 - $36,308). Powerwave stimulation revenues in other international markets totalled $77,014 (2018 - $12,617); Powerwave IOR/EOR projects revenues totalled $nil (2018 - $23,691); and Other Technology revenues totalled $2,600 (2018 - $nil).

Costs of Sales

Costs of sales for the second quarter ended February 28, 2019 were $179,221 or 20.0% of revenues (February 28, 2018 - $150,039 or 17.5% of revenues). The shift to the use of Distributors occurred in the second quarter of fiscal 2018, as such the comparative results from the second quarter (i.e., three months ended February 28) did not see as great of a variance as the prior quarter (i.e., three months ended November 30).

The change within the costs of sales for the second quarter ended February 28, 2019 was also impacted by a greater amount of materials being consumed in the current quarter in refurbishing Powerwave stimulation tools. Costs of sales associated with Powerwave stimulations approximated $128,047 or 15.7% of Powerwave stimulation revenues.

The comparative quarter's costs of sale were impacted by the higher costs of sale (i.e., higher relative to Powerwave product lines) associated with the Disposition of related assets to tubing pumps and bailer tools.

Expenses

General and administrative, sales and marketing, research and development, and amortization and depreciation expenses for the second quarter ended February 28, 2019, aggregated to $938,394, compared to $971,617 in February 28, 2018. The change in these expenses was principally a result of the following changes:

i) Sales and marketing expenses decreased by $16,840 to $155,726. The decrease principally relates to decrease of fully built up functional wage allocation of $17,633 that relates to increased marketing efforts in the Middle East and North America (the later to re-establish activities to prior period levels). The decreases also include travel related expenses to the Middle East of $11,605, and $4,000 in marketing and advertising expense. Offsetting the aforementioned decreases was an increase of $18,722 in consulting fees related to the aforementioned WaveAxe study to validate the micro-fracturing modelling for unconventional reservoirs.

ii) General and administrative expenses remained flat (February 28, 2019 - $699,691; February 28, 2018 - $704,463) with the changes principally relating to the following:

- Office expense decreased by $30,936 to $153,835, and principally relate to the below noted Disposition of the tubing pumps and bailer assets and the assignment of the Lloydminster office and warehouse lease.

- Vehicle expenses also decreased by $21,163 to $9,455, and principally relates to the Disposition of the tubing pumps and bailer and related assets and the field work related to that product line, and the increase in work being done through Distributors.

- Repairs and maintenance expenses decreased by $18,405 to $18,018, and principally relate to the Disposition of the tubing pumps and bailer and related assets and the field work related to that product line.

- Wage and benefits decreased by $3,934 to $254,396, while public company and listing fees decreased by $2,722 to $49,642.

- Offsetting the above noted decrease were increases in: professional expense increased by $62,558 to $119,649; consulting expense increased by $4,518 to $82,500. The increases of professional expense principally relate to non-capital patent legal expense, consultations with securities lawyers and non-audit accounting fees in the current period. Whereas the changes within consulting expense relate to increases in engineering consulting fees related to new tool development and IT consulting.

iii) Research and development expense remained flat decreasing by $6,094 to $16,458. Of the wage expense within research and development $8,212 relates to labour of a physicist and reservoir engineer that support the Company's Powerwave product line. Wage expense decreased by $11,981 as less reservoir engineering research was undertaken. Tool and other research have been managed such that resources are focused on more near term revenues.

iv) Amortization and depreciation expenses remained flat decreasing by $5,517 to $66,519 from the comparative quarter.

In addition to the general and administrative, sales and marketing, research and development, and amortization and depreciation expenses, in the comparative quarter only, the Company's Disposition of the tubing pump and bailer tools, along with certain trucks, shop, office and computer equipment and inventory, and the assignment and assumed the Lloydminster field office lease resulted in a net loss on disposal of the property plant and equipment, and inventory of $258,017 that was a single event in the comparative reporting quarter in 2018.

Net Finance Section of Income

Interest income of $8,468 (2018 - $13,398) includes interest earned for the reporting quarter of $8,468 (2018 - $2,959), and foreign exchange gain of $10,439 in the comparative quarter only.

Financing cost of $29,755 (2018 - $1,453) includes interest expense for the reporting quarter of $1,744 (2018 - $1,453), with a foreign exchange loss $28,011 in the current quarter only.

Operating Cash Flows

The following table sets out the cash used in operations for the second quarter ended February 28, 2019 and 2018:

	Three months ended	
	February 28, 2019	**February 28, 2018**
Net loss	$ (243,823)	$ (511,095)
Amortization and depreciation	66,519	72,036
Impact of foreign translation	10,894	(3,848)
Share-based payments	9,435	9,819
Interest expense	1,744	1,454
Loss (gain) on disposal of property, plant and equipment, and inventory	(192)	260,085

	Three months ended	
	February 28, 2019	February 28, 2018
Changes to loss not including cash		
Change in unearned revenue	121,298	8,116
Change in prepaid expenses	60,697	(47,943)
Change in trade and other payables	10,744	(451,046)
Change in deposits	9,361	-
Change in inventory	8,160	15,326
Interest paid	(1,744)	(1,454)
Change in trade and other receivables	(209,198)	(17,617)
Cash used in operating activities	$ (156,105)	$ (666,167)

In the comparative quarter of 2018, the Company, in addition to the loss on disposal of property, plant and equipment and inventory of $258,017 (as noted in the above Disposition), incurred a loss on disposal of property, plant and equipment of $2,068 that was classified as costs of sale in the condensed consolidated interim statement of net loss.

Cash used in operating activities were negatively impacted by net changes in working capital items (see Liquidity section below).

Net Loss and Comprehensive Loss, and Loss Per Share

The net loss for the quarter ended February 28, 2019 decreased by $267,272 or 52.3% to a net loss of $243,823 (or basic and diluted net loss of $0.003 per share), compared to $511,095 (or basic and diluted net loss of $0.006 per share) for the comparative quarter ended February 28, 2018.

Earnings before interest tax, depreciation and amortization ("EBITDA")

The following table sets out the Company's EBITDA loss and EBITDA loss per share:

	Three months ended	
	February 28, 2019	February 28, 2018
Net loss	$ (243,823)	$ (511,095)
Items not affecting cash		
Amortization and depreciation	66,519	72,036
Interest and tax expense	1,744	1,453
EBITDA	$ (175,560)	$ (437,606)
EBITDA loss per share	$ (0.002)	$ (0.005)

note 1: EBITDA is calculated by adding back all interest, tax, depreciation and amortization to net loss, and is further discussed in Non-IFRS Measures

LIQUIDITY AND CAPITAL RESOURCES

Assets and Liabilities

Total current assets increased by $68,975 to $3,693,823 from the prior year end of August 31, 2018 principally relates to the increase of $194,549 of cash and cash equivalents on hand, which is principally related to cash generated from operation of $184,795 and increases of inventory of $32,155. Offsetting the increase of cash and cash equivalents on hand and inventory were decreases of $56,234 in trade and other receivables, and a decrease in prepaid expenses of $101,495 that principally relates to the recognition of $118,234 in IOR/EOR expenses. Changes within trade and other receivables reflect timing differences in the underlying work or services being performed and the issuance of invoices and collecting of receivables, the logistics of client payable process, and the Company's financial accounting policy of recognizing Powerwave revenues and direct costs equally over the term of the contracts.

Non-current assets included a decrease of $74,499, the changes of which are principally due to $111,220 in amortization and depreciation expense, which was offset by $30,715 in purchases.

Liabilities

Total liabilities increased by $219,911 from the prior year-end to $1,149,022. Of the changes in liabilities, $66,259 relates to an increase in unearned revenue, $140,319 relates to an increase in trade accounts payable, and $30,875 relates to an increase in employee expenses and entitlements, and offset by a $17,542 decrease in trade accruals. Changes in unearned revenue pertain to changes in international withholding taxes and payment of IOR/EOR contract amounts ahead of revenue recognition.

Liquidity

The following table presents working capital information as at February 28, 2019 and August 31, 2018:

	As at February 28, 2019	As at August 31, 2018	Change
Current assets	3,693,823	3,624,848	68,975
Current liabilities	(1,149,022)	(929,111)	(219,911)
Working capital[1]	2,544,801	2,695,737	(150,936)

note 1: Working capital is calculated by subtracting current liabilities from current assets, and is further discussed in Non-IFRS Measures

The net change in working capital from the prior year's end (i.e., the working capital as at August 31, 2018) saw a decrease of only $150,936 and principally relates to unearned revenue that increased by $66,259.

Wavefront believes that its working capital position will continue to fluctuate and that the Company's cash flow will be affected by the degree of Powerwave commercialization and the mix between Powerwave product lines.

Working capital as at February 28, 2019 was $2,544,801, a decrease of only $150,936 from the prior year end, and relates to increase in cash and cash equivalents of $194,549, inventories of $32,115, accounts payable of $153,652; and increases in unearned revenue by $66,259. These increases in were offset by decreases prepaid expenses of $101,495, and in trade and other receivables of $56,234.

The Company did not default nor was it in arrears on any operating lease payments.

Financings

There were no financings during the reporting or the comparative quarter.

Capital Resources

Currently, and in addition to the Contractual Commitments (noted below), and in accordance with Wavefront's strategic plan, cash resources will be judiciously managed, however will be used for the following:

- To maintain an inventory of Powerwave tool systems and related activities; and,
- To support strategic marketing efforts related to near-term revenue generation.

There are no known trends or expected fluctuations or restrictions in Wavefront's capital resources.

As of April 29, 2019, Wavefront had $2,781,877 of cash and cash equivalents on hand. Of the cash on hand, Wavefront has $1,797,919 is in a high interest daily savings account with National Bank Financial with an interest rate of 1.20%. The cash and cash equivalents on hand as at April 29, 2019 increased by $44,617 since the end of the second quarter ending February 28, 2019.

Credit risk of any deposits is linked to the insurance coverage limits as prescribed by the Canadian Deposit Insurance Corporation and that of National Bank Financial.

As at February 28, 2019, the Company had yet to achieve profitable operations, had an accumulated deficit of $74,281,776 (August 31, 2018 - $73,992,005), and for the six months ended February 28, 2019, had a net loss of $289,771 (February 28, 2018 - $1,347,699), but had an increase in cash and cash equivalents of $194,549 (February 28, 2018 – a net decrease of $1,426,259). The Company currently has a working capital of $2,544,801 (August 31, 2018 - $2,695,737). Whether and when the Company can obtain profitability and positive cash flows from operations for an entire fiscal year is uncertain. The lack of continuing profitable operations may cast significant doubt on the Company's ability to continue as a going concern.

The Company however, reported cash on hand of $2,781,877 as at February 28, 2019, an increase of $194,549 over cash on hand of $2,587,328 that was reported as August 31, 2018, and working capital of $2,544,801 (August 31, 2018 - $2,695,737), which is 2.37 and 2.16, respectively, times greater than the fiscal 2018 cash used in operations of $1,176,064, which supports Management's belief that Wavefront's financial health is improving and has sufficient resources to fund operations beyond at least the next twelve (12) months.

The Company is presently of the opinion that its working capital position of $2,544,801 as at February 28, 2019, the six months positive cash flows from operations of $184,795, and the prior quarters of positive cash flows for operations (i.e. three months ended November 30, 2018 - $340,847; three months ended May 31, 2018 - $63,287; three months ended August 31, 2018 - $194,450), and the cash and cash equivalents on hand as at April 29, 2019 of $2,781,877 (i.e., $44,617 more that the cash and cash equivalents on hand as at February 28, 2019, and $239,166 more than on hand as at August 31, 2018) support the assertion that Wavefront's financial health is trending to improve and is more than sufficient to cover its current commitments and operations for at least the forthcoming twelve (12) months.

It is anticipated that cash from operations will continue the recent positive trend as Powerwave continues to be commercialized. However, given potential trade conflicts, commodity markets, and the Company's reliance on a few key customers, there exist some uncertainties in the market beyond Management's control. Should certain expected cash inflows not materialize in the amounts or at the times expected, or should the working capital be significantly reduced in the coming fiscal year, the Company may consider seeking additional financings or a restructuring of operations at that time. Wavefront may also consider future financings based on any need to increase working capital, to finance Powerwave tools, accelerate commercialization, or for acquisitions, and may consider debt financing of its Powerwave tools or an acquisition to better match the assets' life and revenue stream with the financing sources. Any such financing will be dependent on Wavefront's credit rating, quality of licensing contracts, etc. and other relevant financing factors.

Although the Company has and is evaluating financings, any such financing will be dependent on Wavefront's credit rating, quality of licensing contracts, etc. and other relevant financing factors.

All future expenditures and investments in capital assets and projects will be governed by the Company's working capital position throughout the year.

CONTRACTUAL COMMITMENTS

The Company has entered into long-term contractual arrangements from time-to-time for facilities, lines of credit, and the provision of goods and services. The following table presents contractual obligations arising from these arrangements currently in force:

	Payments Due by Period				
	Total	Less than 1 Year	1 – 3 Years	3 – 5 Years	More than 5 Years
Operating lease obligations	$ 474,147	$ 276,352	$ 197,795	$ -	$ -

Note 1: Included in the contractual commitments are future commitments in base rental lease payments related to the Lloydminster office and warehouse. The Lloydminster office lease has a commencement date of July 1, 2012 and an amended term expiring on June 30, 2019. Given the Disposition (as noted above), excluding the base rental lease payments related to the Lloydminster office and warehouse the total payments due would be $521,968, with $224,173 due within one year, $197,795 due within two to five years.

In a prior year, the Company entered into a new office and warehouse lease for its Edmonton, Alberta operations. The office and warehouse lease had a commencement date of February 1, 2011 and a ten year term expiring on January 31, 2021. The future commitment in base rental payments is $413,572 over the balance of the term.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Expense transaction

In a prior year the Company entered into a Consulting Agreement with Mr. Roger Kazanowski, a director of the Company, to act as an advisor to senior management in relation to strategic planning and marketing. Mr. Kazanowski was remunerated a monthly consulting fee of US $5,000 per month. During the three and six months ended February 28, 2019, the Company recorded $nil (February 28, 2018 – $18,857) and $6,599 (February 28, 2018 – $37,713), respectively, in consulting expense, with $nil (August 31, 2018 - $nil) included in accounts payable and accrued liabilities. The compensation was recorded at the translated value US monetary value paid. Effective September 30, 2018, the Consulting Agreement was terminated with no further commitments to Mr. Kazanowski.

PROPOSED TRANSACTIONS

At the time of this report the Company has no undisclosed proposed transactions.

RISK AND UNCERTAINTIES

Other than the below noted the Company's business risks are the same as disclosed in its annual MD&A issued for the year ended August 31, 2018.

Need For Additional Financing and Going Concern – The Company has yet to achieve profitable operations and the Company's continuing decrease in cash and cash equivalents has given rise to the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to obtain profitability and positive cash flows, or to obtain additional financing to meet its obligations as they come due. Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. To the extent the Company requires additional financing in order to continue as a going concern, to make further investments in the technology, to fund unanticipated demand, to take advantage of unanticipated opportunities, to fund the Powerwave tool research and development and manufacturing, or to fund the Company through a protracted commercialization to profitability stage, there can be no assurance that such additional financing will be available to the Company on acceptable terms, or at all. Any financing may be affected by changes in Wavefront's credit rating, general equity market conditions, the volatility of Wavefront's shares, interest rates, and valuation of available collateral. Such financing, if available, might have the effect of diluting the holdings of existing shareholders.

ENVIRONMENTAL RISK

The Company's environmental risks are the same as disclosed in its annual MD&A issued for the year ended August 31, 2018.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's critical accounting policies and estimates are the same as disclosed in its annual MD&A issued for the year ended August 31, 2018, except as noted in the Changes in Accounting Policies as referenced below.

CHANGES IN ACCOUNTING POLICIES

The changes in accounting policies are disclosed in Note 2, "Statement of Compliance", of the Unaudited Interim Condensed Consolidated Financial Statements for the second quarter ended February 28, 2019.

FINANCIAL AND OTHER INSTRUMENTS

Wavefront's significant financial and other instruments consist of accounts receivable, accounts payable and accrued liabilities and interest bearing obligations such as its operating line, and other amounts that will result in future cash outlays.

Credit Risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. Wavefront's financial instruments that are exposed to concentrations of credit risk consist primarily of accounts receivable. Concentrations of credit risk with respect to accounts receivable are limited as the majority of transactions are with large publicly traded corporations or government organizations dispersed across geographic areas. Credit risk, with respect to accounts receivables in Canada and the United States, is also limited due to Wavefront's credit evaluation and cash management processes.

Foreign currency risk

Wavefront is exposed to currency risks as a result of its export to foreign jurisdictions of goods produced in Canada or services provided from Canada, and the operational expenses and revenue of foreign operations. These risks are partially covered by purchases of goods and services in the foreign currency. Wavefront does not use derivative instruments to reduce its exposure to foreign currency risk.

Fair value of financial instruments

The carrying value of Wavefront's financial instruments approximates their fair value. The estimated fair value approximates the amount for which the financial instruments could currently be exchanged in an arm's length transaction between willing parties who are under no compulsion to act. Certain financial instruments lack an available trading market; therefore, fair value amounts should not be interpreted as being necessarily realizable in an immediate settlement of the instrument.

SUPPLEMENTARY INFORMATION

SUMMARY OF QUARTERLY RESULTS AND LOSS PER SHARE

The following tables sets forth selected data derived from our unaudited condensed consolidated interim financial statements for each of the eight most recently completed quarters. This information should be read in conjunction with the applicable interim unaudited and annual audited financial statements and related notes thereto.

	2nd Qtr Feb 28 '19	1st Qtr Nov 30 '18	4th Qtr Aug 31 '18	3rd Qtr May 31 '18
Revenue	$ 894,887	$ 943,753	$ 956,626	$ 1,125,103
Net Loss	$ (243,823)	$ (45,947)	$ (497,456)	$ 54,383
Basic and diluted loss per share	$ (0.003)	$ (0.001)	$ (0.006)	$ 0.001
Common shares outstanding				
Weighted average shares outstanding	87,507,380	87,442,903	83,530,011	82,966,588

	2nd Qtr Feb 28 '18	1st Qtr Nov 30 '17	4th Qtr Aug 31 '17	3rd Qtr May 31 '17
Revenue	$ 856,633	$ 276,667	$ 527,437	$ 525,371
Net Loss	$ (511,095)	$ (836,603)	$ (989,465)	$ (922,141)
Basic and diluted loss per share	$ (0.006)	$ (0.010)	$ (0.012)	$ (0.011)
Common shares outstanding				
Weighted average shares outstanding	82,956,240	82,956,240	82,956,240	82,956,240

DESCRIPTION OF SHARE CAPITAL

As at February 28, 2019, Wavefront's share capital consisted of the following:

Common shares		
Authorized:		unlimited
Issued and outstanding:		
Free trading		87,572,573
Convertible into common shares		
Share purchase warrants	4,496,943	
Incentive stock options	2,975,000	
		7,471,943
Fully diluted share capital:		95,044,516

As at April 29, 2019, Wavefront's number of issued and outstanding shares is 87,572,573.

Market for Securities

The common shares of Wavefront Technology Solutions Inc. are listed on the TSX Venture Exchange under the symbol of WEE. The Company's shares also trade on International OTCQX under the symbol WFTSF.

Warrants granted during the period

No warrants were granted during the reporting quarter.

Warrants outstanding

As at February 28, 2019

Date Granted	Expiry Date	Number of Incentive Stock Options	Exercise Price per Share $
July 17, 2018	July 17, 2019	4,496,943	0.45
		4,496,943	

The above noted warrants are exercisable for one common share of the Company at an exercise price of $0.45 for a period of 12 months; provided that, commencing on November 19, 2018, if the volume weighted average trading price of a common share on the TSX Venture Exchange is at a price equal to or greater than $0.65 for a period of more than 20 consecutive trading days, the Company will have the right to accelerate the expiry date of the warrants by giving written notice to the holders of the warrants that the warrants will expire on the date that is not less than 30 days from the date notice is provided by the Company to the holder of the warrant.

Options granted during the period

No options were granted during the reporting quarter.

The Company maintains a Stock Option Plan under which it may grant options for up to 10,771,558 shares of the Company at an exercise price not be less than the "Discounted Market Price" (as defined in the policies of the TSX Venture Exchange), provided that the exercise price shall not be less than $0.05 per share. All stock options awarded are exercisable for a period of up to ten (10) years and vest in equal tranches at three (3) month intervals over a period of eighteen months.

Options outstanding

As at February 28, 2019

Date Granted	Expiry Date	Number of Incentive Stock Options	Exercise Price per Share $
March 17, 2015	March 17, 2020	800,000	0.12
August 4, 2016	August 4, 2026	1,900,000	0.28
January 6, 2017	January 6, 2027	75,000	0.35
April 10, 2018	April 10, 2028	200,000	0.46
		2,975,000	

CONTROLS AND PROCEDURES

Under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**"), the Company, as a "Venture Issuer" files on an annual basis Form 52-109FV1, the "*Certificate of annual filings – venture issuer basic certificate*" (the "**Annual Form")** which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal controls over financial reporting **("ICFR**"), as defined in NI 52-109. In particular, the certifying officers filing the Annual Form are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and,

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

However, the Company's Management, and its certifying officers on the Annual Form are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in that Annual Form. The Annual Form does contain representations which confirms that management has established processes, which are in place to provide the certifying officers with sufficient knowledge to support their written representations that they have exercised reasonable diligence that (i) the audited annual financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim financial statements and that (ii) the audited annual financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the audited financial statements.

The Company's certifying officers of the Annual Form are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in that certificate. However, the reader should be aware that inherent limitations on the ability of the certifying officers to design and implement, on a cost effective basis, DC&P and ICFR for the Company as defined in NI 52-109, may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation, including this Management Discussion & Analysis.

FORWARD-LOOKING INFORMATION

Certain statements contained herein regarding Wavefront and its operations constitute "forward-looking statements" within the meaning of Canadian securities laws and the United States Private Securities Litigation Reform Act of 1995. All statements that are not historical or current facts, including without limitation statements regarding future estimates, plans, objectives, assumptions or expectations or future performance of Wavefront and or any of its subsidiaries, as described in the Management Discussion and Analysis above, are "forward-looking statements". Forward-looking information can be identified by the use of the future tense or other forward-looking words such as "believe", "expect", "anticipate", "intend", "should", "may", "could", "would", objective" "forecast", "position", "intend" or the negative of those terms or other variations of them or comparable terminology. Examples of such forward-looking information in this document include, but are not *limited to statements with respect to the following, each of which is subject to significant risks and uncertainties and is based on a number of assumptions that may prove to be incorrect:*

- *under the heading "Outlook" the outlook for Wavefront's business and its long-term plans, including the potential necessity for further cost reductions;*
- *under the heading "Liquidity and Capital Resources", Wavefront's beliefs about its working capital position and cash flow break even and its use of cash; and*
- *under the heading "Contractual Commitments", Wavefront's beliefs about working capital sufficiency and potential sources of financing.*

We provide this forward-looking information for Wavefront's business in order to describe the management expectations and targets by which Wavefront measures its success and to assist Wavefront shareholders in understanding Wavefront's financial position as at and for the periods ended on the dates presented in this report. Readers are cautioned that this information may not be appropriate for other purposes. ***We caution that such "forward-looking statements" involve known and unknown risks and uncertainties that could cause actual results and future events to differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information****. Such material factors include fluctuations in the acceptance rates of Wavefront's Powerwave and Primawave Processes, demand for products and services, fluctuations in the market for oil and gas related products and services, the ability of Wavefront to attract and maintain key personnel, technology changes, global political and economic conditions. For a more detailed description of these risks, and of other risks to which Wavefront is subject, please see the "Risks and Uncertainties", "Environmental Risk" and "Financial and Other Instruments" sections in this Management Discussion and Analysis. In determining Wavefront's forward-looking statements, Wavefront considers material factors including assumptions and expectations regarding customer demand and adoption rates for Wavefront's products; commodity prices and interest and foreign exchange rates; and the availability and cost of inputs, labour and services, patent, technology and competitive risk. Many of these factors are beyond Wavefront's control and have effects which are difficult to predict. These material risk factors and material assumptions are not intended to represent a complete list of the factors that could affect Wavefront; please see other factors that are described in further detail in Wavefront's continuous disclosure filings, from time to time, and available on SEDAR at www.sedar.com. Investors and the public should carefully consider these factors, other uncertainties and potential events, and the inherent uncertainty of forward-looking statements when relying on these statements to make decisions with respect to Wavefront.*

The forward-looking statements contained herein represent Wavefront's expectations at April 25, 2018, and, accordingly are subject to change after such date. Except as may be required by law, Wavefront does not undertake to update any forward-looking statement, whether written or verbal, that may be made from time to time.

ADDITIONAL INFORMATION

Additional information regarding Wavefront Technology Solutions Inc. can be found on System for the Electronic Document Analysis and Retrieval ("SEDAR" at www.sedar.com).