DISTINCT INFRASTRUCTURE GROUP INC.

MANAGEMENT

DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED DECEMBER 31, 2015

Dated APRIL 22, 2016

Disclosure Regarding Forward-Looking Statements

This Management's Discussion and Analysis contains forward-looking statements that include risks and uncertainties that are disclosed under the section Risk Factors. Other factors that could affect actual results are uncertainties pertaining to government regulations, both domestic as well as foreign, and the changes within the capital markets.

MANAGEMENT DISCUSSION & ANALYSIS
FOR THE PERIOD ENDED DECEMBER 31, 2015

Notice to Reader

Management has compiled the consolidated audited financial statements of Distinct Infrastructure Group Inc., ("DIG" or the "Company") consisting of the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statements of Comprehensive Income, Condensed Consolidated Changes in Equity, and Condensed Consolidated Statement of Cash Flows for the period ended December 31, 2015. All amounts are stated in Canadian Dollars unless otherwise specified.

The following Management Discussion and Analysis ("MD&A") of Distinct Infrastructure Group Inc. financial condition and results of operations, prepared as of December 31, 2015, should be read in conjunction with the consolidated audited financial statements of the Company for the period ended December 31, 2015, which are incorporated by reference herein and form an integral part of this MD&A.

Our MD&A is intended to enable readers to gain an understanding of the Company's current results and financial position. To do so, we provide information and analysis comparing the results of operations and financial position for the current period to those of the preceding year. We also provide analysis and commentary that we believe is required to assess the Company's future prospects. Accordingly, certain sections of this report contain forward-looking statements that are based on current plans and expectations. These forward-looking statements are affected by risks and uncertainties that are discussed in this document and that could have a material impact on future prospects. Readers are cautioned that actual results could vary.

Cautions Regarding Forward-Looking Statements

This MD&A contains certain forward-looking statements, which reflect management's expectations regarding the Company's results of operations, performance, growth, and business prospects and opportunities.

Statements about the Company's future plans and intentions, results, levels of activity, performance, goals or achievements or other future events constitute forward-looking statements. Wherever possible, words such as "May," "will," "should," "could," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," or "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this MD&A, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including: general economic and market segment conditions, competitor activity, product capability and acceptance, international risk and currency exchange rates and technology changes. More detailed assessment of the risks that could cause actual results to materially differ than current expectations is contained in the "Quantitative and Qualitative Disclosures of Market Risk" section of this MD&A. Unless otherwise indicated, all references to "Dollar" or the use of the symbol "$" are to the Canadian Dollar in MD&A.

The preparation of the financial statements are in conformity with International Financial Reporting Standards ("IFRS") and requires management to make assumptions that affect the reported amounts of assets, liabilities and expenses in addition to the disclosure of contingent liabilities at the date of the financial statements and reporting amounts. Distinct Infrastructure Group Inc. bases its estimates on historical experience, current trends and various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ and will most likely differ from those estimates.

OVERVIEW OF DISTINCT INFRASTRUCTURE GROUP INC.

Who We Are

- Distinct Infrastructure Group Inc. (“DIG” or “Company”) is a Canadian company founded in April 2007 and is a design, engineering, construction and maintenance Company. The Company is publicly traded on the Toronto Stock Exchange ("TSXV") as of August 24, 2015 under the symbol “DUG”. The Company's principal address and registered office of records is located at 77 Belfield Road, Toronto, Ontario, M9W 1G6, with operational offices in Toronto, Calgary and Sherwood Park, Alberta and Regina Saskatchewan. The Company’s primary focus is the Ontario and Alberta economic landscape of opportunity in infrastructure, utilities and telecommunication. All levels of government have made significant multi-year financial commitments to maintain and improve existing infrastructure, while aggressively pursuing new infrastructure over the next 20 years.

Our Growth Story

- The Company has organically grown revenue and EBITDA from $8.7 million and $900 thousand in 2010, respectively, to $37.1 million and $5.6 million in fiscal year 2015 ($6.8 million adjusted EBITDA)
- DIG successfully listed on the TSX Venture Exchange on August 24, 2015

Capitalization

- Market Capitalization of approximately $38.2 million (as of April 1, 2016)
- Basic Shares Outstanding: 263.3 million
- Fully Diluted Shares Outstanding: 316.3 million

Mission Statement

We aspire to be the recognized leader in design, engineering and construction services for infrastructure and communication companies in North America. We strive to build long term relationships by exceeding client expectations with a focus on safety and quality of work.

Vision

DIG strives to grow by investing in its people, technology, systems and partners. We will continuously adapt our business to our clients' needs and be opportunistic of opportunities that leverage our skills and relationships.

Values

Health & Safety

We are committed to the protection of the health and safety of our employees and the general public. We believe that incidents and injuries are preventable, and have developed a proud culture in which all employees, partners, contractors and subcontractors share this commitment for health and safety.

Integrity

We act with integrity and operate at the highest standards of moral and ethical values. DIG is built on traditional values inherited from its founders. Long term relationships are the heart of our business, and integrity and trust are the foundation to these relationships.

Quality

Client satisfaction is delivered by exceeding client expectations. We continually invest in our people, ensure our fleet is state of the art and that our systems can deliver work on time and on budget.

Commitment

Our employees are our greatest asset and allow DIG to deliver on its Mission and Vision which result in highly valued long term relationships. We pride ourselves on our reputations and the resulting relationships.

Acquisitions

1. On May 1, 2015, the Company acquired all the issued and outstanding shares of DC Connections Inc. (“DC”), a small St. Albert, Alberta-based telecom construction company similar in nature to DistinctTech Inc. The Company acquired the assets and business of DC for $188,236 in cash. DC is an operating company in Alberta and as such met the definition of a business under IFRS 3 and the assets and liabilities of DC are included in the consolidated statement of financial position at their book values which approximate their fair market value on closing of the transaction. Share capital and retained earnings of the acquired company are eliminated on consolidation. The DC acquisition was an arm’s length transaction. There were no related parties to the Company involved in the transaction.

2. The Company completed a three-cornered amalgamation on August 13, 2015, pursuant to a definitive amalgamation agreement dated June 29, 2015. As a result of the agreement, QE2 Acquisition Corp. (“QE2”) issued 217,218,927 common shares to the shareholders of DistinctTech, resulting in DistinctTech’s shareholders controlling QE2. The transaction constitutes a reverse takeover of QE2. On August 21, 2015, QE2 changed its name to Distinct Infrastructure Group Inc. and commenced trading on the TSXV as “DUG”.

   Distinct Infrastructure Group Inc. (formerly QE2 Acquisition Corp.) is treated as the acquiree and DistinctTech is treated as the acquiror. As a result, the amalgamated entity is deemed to be a continuation of DistinctTech and DistinctTech is deemed to have acquired control of the assets of the Company with the consideration of the issuance of capital, and therefore IFRS 2 Share-based Payments, is applicable.

   As of the date of the Transaction there were 38,048,964 QE2 shares issued and outstanding, as well as 1,500,000 employee options and 5,763,290 warrants.

HIGHLIGHTS FOR THE YEAR ENDING DECEMBER 31, 2015

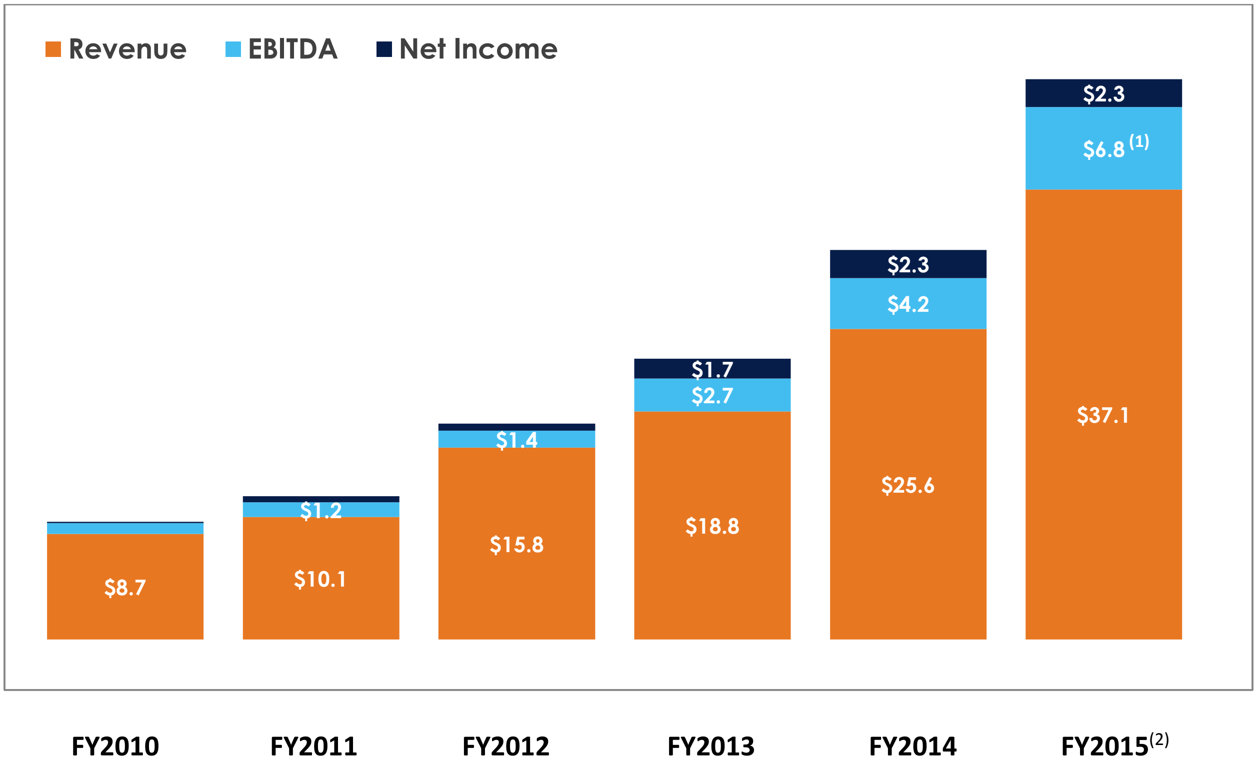
Selected Financial Information

Period ended	Thirteen months December 31, 2015	Twelve months November 30, 2014
INCOME STATEMENT		
Revenues	37,104,288	25,614,409
Income and comprehensive Income	2,270,401	2,293,326
Earnings per share – basic	$0.01	$0.02
Earnings per share – diluted	$0.01	$0.02
EBITDA	5,610,298	4,158,504
One-time costs(1)	1,183,122	-
Adjusted EBITDA(2)	6,793,420	4,158,504
BALANCE SHEET		
Total assets	50,285,393	21,613,583
Working capital	27,189,049	2,250,893
STATEMENTS OF CASH FLOWS		
Cash from operations	(6,093,763)	(3,306,229)
Net cash inflow	8,534,669	13,939

(1) One-time costs are related to financing and public listing activities.
(2) Adjusted EBITDA is calculated as EBITDA plus one-time costs and is a non-GAAP/IFRS figure.

Revenue and Direct Cost Analysis

Particulars	Quarter ended December 31, 2015	Quarter ended November 30, 2014	Thirteen Months ended December 31, 2015	Twelve Months ended November 30, 2014
Revenue	13,704,896	7,412,125	37,104,288	25,614,409
Direct Costs	8,978,089	3,957,401	24,882,388	16,958,149
Gross Margin	4,726,807	2,710,445	12,221,900	8,656,260
Gross Margin %	34%	37%	33%	34%



(1) Adjusted EBITDA is calculated as EBITDA ($5,610,298) plus one-time costs ($1,183,122), and is a non-GAAP/IFRS figure.
(2) For the thirteen-month period ending December 31, 2015.

Revenue

Revenue for the year ended December 31, 2015 increased to $37,104,288 from$25,614,409 for the twelve months ended November 30, 2014. Sales increased 45%, which includes an extra month of revenue due to the Company's year-end changing from November 30 to December 31. Additionally, factors that contributed to increased revenues include:

(a) Increased construction projects from one of the Company's largest customers. The Company continues to perform well in its telecommunication infrastructure business.

(b) Start-up revenues from the iVAC business segment. This business started in the fourth quarter of 2014 and continues to perform well and shows strong internal growth and external third party demand

Direct Costs

Direct Costs for the year ending December 31, 2015 increased by $7,924,239 or 47% over fiscal year 2014. The increase is in direct correlation to the increased revenues of 45% or $11,489,879 in the same period under review. Direct costs are made up of materials, labour, and overheads. Direct costs were 67% of revenues for the year ended as compared to 66% for the previous year. Direct costs for the fourth quarter increased due to the additional month included in the last quarter of 2015. The additional month included the Christmas holiday season which saw reduced productivity and increased vacation time.

Operating Expenses

Operating costs consist of the following major expense sub categories: selling, general & administrative expenses, travel and promotion, legal and accounting, office and general expenses, rent and maintenance, salaries and related costs, interest on borrowed funds and amortization of equipment.

Particulars	Thirteen Months ending December 31, 2015	Twelve Months ending November 31, 2014
Salaries and wages	2,862,837	2,743,162
Communication expense	98,533	101,255
Bank charges and other related costs	269,121	107,236
Advertising and promotion	773,818	445,533
Professional fees	194,712	232,828
Occupancy costs	184,589	165,895
Insurance expense	107,228	76,903
Office expense	254,939	182,825
Information technology costs	272,687	91,272
Travel expense	126,095	74,419
Legal costs	162,981	46,856
Other expenses	256,292	229,572
Depreciation and amortisation	1,587,155	609,570
Interest on capital leases and other finance costs	275,429	84,851
Loan interest	701,030	450,372
One-time corporate finance costs	1,183,122	-

Salaries and Wages

Salary and Wages staffing costs includes; operations center, control center, finance, HR, IT, customer service, and corporate and administrative. Salaries for the thirteen months ended December 31, 2015 were $2,862,837 which increased by 4% compared to the twelve month in 2014. This was due mainly to the company’s growth organically and by acquisition for the period under review.

Communication Expense

Communication expense includes cellular, telephony and fax expenses. This category of expense decreased marginally by 3% or $2,722. The Company is making every effort to ensure operating expenses are controlled.

Bank Charges and other related costs

Bank charges and other related costs increased to $269,121 or 151% which is due mainly to an increase in banking activities, such as electronic funds transfer (EFT), set up costs for new bank accounts and online banking in addition to the banking costs associated with the acquisitions.

Advertising and Promotions

This category of costs increased to $773,818 over the period ending November 30, 2014, an increase of $328,285. The increase was driven by the need for the Company to promote its existing and new service offerings. The Company continues to make contributions to the community in the form of various sponsorships and charitable contributions. The increase also includes one additional month in the fiscal year. The Company will continue to spend prudently on this category to ensure relationships and partnerships are acquired and appropriately managed.

Professional Fees

Professional fees decreased by $38,116 or 16%. The marginal decrease was mainly due to prudent management and reduced engagement of consultants for various activities of the Company's operations such as, resource management and business development and information technology. The Company reduced reliance on third party professionals as that expertise is now within the Company's resource structure.

Occupancy Costs

Occupancy costs increased by 11% to $184,589 for the period ending December 31, 2015. The Company was given three months' free rent during 2015 with the signing of a new lease for its new head office. The Company recorded lease inducement costs (non-cash) to comply with IFRS relating to this type of transaction. As the Company continues to grow there will be additional demand on space, the Company will make the necessary investments in this area.

Insurance

Insurance expense also increased to $107,228 when compared to the twelve-month period in 2014. The increase was due mainly to one additional month of expense and also insurance for additions to the Company's fleet and equipment. These costs are in direct correlation with the size of the fleet and will increase as the Company grows.

Office Expenses

Office expenses increased by $72,114 to $254,939. This increase was mainly attributable to increased staffing and growth of the Company's operations.

Information Technology Costs

IT costs increased significantly in the period under review. Costs increased by $181,415 over the same period in 2014. The Company made significant investments in this area to automate processes in the

Company's various departments. This has already started to bring benefits of increasing efficiencies and reducing processing times for invoicing and collections, purchasing and operations. The Company has implemented a new ERP system in Q4 in its main business unit and will implement this system in all of its businesses by the end of the first half of 2016. These investments create a differentiator for the Company in its project management and operations groups.

Travel Expenses

Travelling expenditure increased by $51,676 to $126,095 for the period ending December 31, 2015 when compared to the twelve-month period in 2014. This increase was due to travelling costs associated with the acquisition of QE2 as well as business development initiatives in the west.

Legal costs

The Company's legal costs increased by $116,125 to $162,981 for the thirteen-month period ending December 31, 2015 as compared to the twelve-month period ending November 30, 2014. The increase was mainly due to the activities surrounding the corporate structural changes as well as the Company's going public.

Other Expenses

Other expenses increased by $26,720 to $256,292 as at December 31, 2015 from $229,572 on November 30, 2014. This cost consists mainly of employee safety training costs. The Company expends significant resources to ensure that employees are properly trained to identify and mitigate dangers in their work place environment.

Amortization of Property, Plant and Equipment

Amortization of property, plant and equipment for the thirteen months ended December 31, 2015 increased by $977,585 to $1,587,155 due to additional leased capital assets, in particular, the increased number of hydrovacs. The Company plans on adding to its fleet of equipment and vehicles as the Company continues to grow to meet customer demand.

Interest on Capital Leases and Other Finance Costs

These expenses increased by $190,578 for the thirteen months ended December 31, 2015 to $275,429. This increase was for interest paid on capital leases. This expense line item will continue to grow as the company continues to add new equipment to meet growth targets.

Loan Interest

Loan interest increase to $701,031 or 56%, from $450,372 over the twelve-month period ending November 30, 2014. This increase was due to the interest costs associated with a new loan agreement with Crown Capital as well as a minor increase in interest costs associated with the Company's line of credit.

One-Time Corporate Finance Costs

Corporate finance costs include one-time finders' fees relating to the QE2 Acquisition Corp. reverse takeover and legal costs associated with the acquisition line. The cost as at December 31, 2015 was $1,183,112 (nil – 2014).

Quarterly Results

	Four Months ended December 31, 2015	Three Months ended August 31, 2015	Three Months ended May 31, 2015	Three Months ended February 28, 2015
INCOME STATEMENT				
Revenues	13,704,896	8,727,311	8,507,528	6,164,553
Expenses	12,418,490	7,565,160	7,523,230	5,574,265
Earnings and comprehensive earnings	1,191,562	527,587	603,887	205,918
Earnings per share – basic	0.0046	0.0025	0.0036	0.0014

	Three Months ended November 30, 2014	Three Months ended August 31, 2014	Three Months ended May 31, 2014	Three Months ended February 28, 2014
INCOME STATEMENT				
Revenues	7,412,125	6,667,846	6,549,228	4,985,211
Expenses	6,153,742	5,763,865	5,589,906	4,557,962
Earnings and comprehensive earnings	858,529	680,326	580,948	173,523
Earnings per share – basic	0.0056	0.0045	0.0038	0.0011

Results of Operations

The Company reported net income for the quarter ending December 31, 2015 of $1,191,562 as compared to $173,523 for the quarter ending November 30, 2014. The increase in net income was as a result of increased business opportunities the Company is engaged in. Additionally, the last quarter of 2015 consists of four months as compared to three months in the prior year.

Revenues for the quarter ending December 31, 2015 was $13,704,896 as compared to $4,985,211 for the last quarter in 2014. The growth is attributable to strong organic growth as well as the acquisitions of DC Connection and QE2. Organic growth accounted for the majority of this increase as the Company procured additional projects and continues to increase its book of business with its key customers in the telecommunications sector. The Company anticipates that this organic growth will continue for some time.

Expenses for the quarter ending December 31, 2015 was $12,418,490 as compared to $4,557,962 for the last quarter in 2014. This increase was due to increased costs associated with revenue volume growth and one-time costs associated with the Company's financing, re-branding and reverse takeover/listing on the TSX Venture Exchange. During the year, the Company also added capital lease assets that have contributed to an increase in depreciation and amortization.

Liquidity and Capital Resources

As at December 31, 2015, the Company had cash and cash equivalents of $8,534,669 compared to $13,939 at November 30, 2014. Trade receivable of $14,959,304 were outstanding at December 31, 2015 compared to $9,435,153 as at November 30, 2014, due mainly to increased volumes of work the Company carried out during the period. Total current assets amounted to $35,908,724 (November 30, 2014 – $16,392,345) with current liabilities of $8,461,122 (November 30, 2014 – $14,141,452) resulting in a working capital balance of $27,447,602 (November 30, 2014 – $ 2,250,893).

The Company has a revolving loan with a major bank for a maximum of $8,500,000. As at December 31, 2015, the balance of the loan was $nil (November 30, 2014 – $7,088,274). The bank loan is due on demand, bears interest at the Bank's prime lending rate plus 2% per annum and is secured by a general security agreement, an assignment of insurance and guarantee postponement of claim in the amount of $750,000 by each of the two non-independent directors of the Company.

Convertible Debentures

The Company had convertible debentures valued at $867,411 that were inherited on the acquisition of QE2. On August 11, 2015, pursuant to a Supplemental Indenture, the debenture holders agreed to reduce the interest rate from on the original convertible debentures from 12% to 8% per annum and extend the maturity date from October 20, 2016 to October 20, 2018. Interest is paid semi-annually and is accrued by the company until paid. As at December 31, 2015 there was no accrued interest as all interest was paid in full.

Long term debt

In November 2015, the Company closed a credit agreement with Crown Capital Fund IV, LP ("Crown") for a $20,000,000 term loan ("Debt") for the purposes of future acquisitions. The term loan has an aggregate amount of $20,000,000 outstanding and bears interest at a fixed interest rate of 10% per annum payable in arrears and payable monthly, maturing in 60 months. The Company has, under the term loan, the option to prepay as follows: After 18 months have lapsed, subject to a prepayment fee ranging from 1% to 3%, the Company has the option to prepay in increments of $1,000,000 (for clarity, the 1% to 3% prepayment fee will apply to a maximum principal amount of $20,000,000).

The Debt is secured by the following: (i) a second-ranking general security agreement over all present and after-acquired property of the Company subject to first priority on the general security agreement held by another party; (ii) a securities pledge agreement from each obligator constituting a second–ranking lien (subject to permitted liens) on all equity interests such obligator owns in another obligator; and (iii) all share certificates, stock powers of attorney, promissory notes, consents, authorizations and other documents necessary in order to make the agreement valid and effective.

Under the terms of the Debt, the Company granted 8,000,000 common shares to Crown at a deemed price of $0.085 per share. Crown was also paid a $400,000 cash fee. These amounts are being accreted over the life of the debt.

The Debt requires the Company to comply with certain financial covenants. The financial covenants are detailed below:

(i) Debt Service Coverage Ratio – The Company shall maintain a Debt Service Coverage Ratio, determined as at the end of each fiscal quarter, of no less than 1.25:1

(ii) Net Debt to TTM EBITDA Ratio – The Company shall maintain a Net Debt to TTM EBITDA Ratio, determined as at the end of each fiscal quarter, of no more than 3:1

EBITDA is specifically defined in the credit agreement and excludes extraordinary, unusual and non-recurring items for such period.

Balance Sheet Variations

Current Assets

Current assets, which includes cash, trade receivables, work in progress, and prepaid expenses, increased by $19,516,379 for the thirteen months ending December 31, 2015, as compared to the twelve-month period in 2014. The increase is due primarily to increases in trade receivables and work in progress related to increased business activities in our main line of business.

Non-Current Assets

Non-current assets, which includes property, plant and equipment, intangibles and assets under capital lease, increased by $9,155,431 from the end of November 30, 2014. The increase is primarily due to additional leased equipment and vehicles and the recognition of goodwill on the acquisition of QE2 of $4,288,699. The Company continues to make investments in equipment and vehicles as the business continues to grow.

Current Liabilities

Current liabilities, which includes accounts payable and accrued liabilities, notes payable and obligations under finance leases, income taxes payable and bank indebtedness, decreased by $5,421,777 from the end of November 30, 2014 due primarily to the decrease in the revolving loan.

Non-Current Liabilities

Non-current liabilities include long term notes payable, long-term debt and obligations under finance leases. Non-current liabilities increased by $21,960,650 from the end of November 30, 2014. The increase is due primarily to the Crown Capital acquisition loan of $20,000,000 and the acquisition of equipment under capital leases.

Off-Balance Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

TRANSACTIONS WITH RELATED PARTIES

Due from Related Party

ABL Professional Management Services Inc. (“ABL”) is a separate legal entity that provides engineering services and is managed by common shareholders of the Company. Transactions between the parties are incurred in the normal course of business and are measured at the exchange amount, which is the consideration established and agreed to by the respective parties. During the period, the Company has recorded services on a pass through basis of $326,157 to the related party (2014 – $464,550). As at December 31, 2015, $1,821,789 (2014 – $1,538,372) remains in accounts receivable. The common shareholders have provided a personal guarantee for the collection of this receivable. The shareholders have provided personal guarantees of up to $2,000,000 and ABL will repay amounts outstanding within 24 months, starting in June 2016.

Due from Shareholders

The Company has a receivable outstanding from two majority shareholders and co-chief executive officers of the Company of $225,631 (2014 – $192,067). This receivable will be repaid over the next 24 months, is personally guaranteed by the shareholders and bears interest at the Bank of Canada rate plus 1% per annum. There will be no additional advances to Shareholders.

Compensation of Key Management Personnel

The Company pays its senior management and majority shareholders by way of a management services agreement(s) with companies controlled by these individuals. Payments totalling $679,193 was paid for the period ending December 31, 2015 (2014 – $433,162). In prior periods, management had been compensated through other methods.

The Company pays its other senior management personnel by way of management services agreement(s) with companies controlled by these individuals. Payments totalling $782,107 were paid for the period ending December 31, 2015 (2014 – $219,937).

SUBSEQUENT EVENTS

(a) On March 4, 2016 the Company granted 2,000,000 stock options to an arms-length consultant. 1,000,000 options are exercisable at $0.135, 500,000 options exercisable at $0.150 and the remaining 500,000 options are exercisable at $0.170. Each option is exercisable at any time until March 3, 2018.

(b) On March 10, 2016 the Company acquired all of the issued and outstanding securities of Mega Diesel Excavating Ltd. from two arm's length parties for an aggregate purchase price of $2,526,160, of which $2,120,000 was paid on closing and the balance of $406,160 is payable on July 10, 2017.

Critical Accounting Estimates

The Company's financial statements are impacted by the accounting policies used, and the estimates and assumptions made, by management during their preparation. The Company's accounting policies are described within the financial statements. The accounting estimates considered to be significant to the Company include the computations of agents' warrants value, charitable stock option and stock-based compensation expense and recovery of future income tax assets.

Changes in Accounting Policies

The Company made no significant changes to its accounting policies in 2015. As of the third quarter of 2015, the Company has prepared its financial statements with prior year comparison as mandated by the International Financial Reporting Standards.

Financial Instruments and Other Instruments

The Company is not a party to any financial instruments and other instruments as defined in item 1.14 of National Instrument 51-102F1 — Management's Discussion and Analysis.

Fair Values

The estimated fair value of cash, accounts receivable, work in progress, borrowings and finance leases approximates their carrying values due to the relatively short-term nature of the instruments. The fair value of accounts payables and accrued liabilities approximates their fair values due to the requirement to extinguish the liabilities on demand.

Financial Risk Management Objectives and Policies

The financial risk arising from the operations of the Company and its subsidiaries (altogether, the "Group") are currency risk, credit risk and liquidity risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Group's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

Credit Risk

Credit risk is managed on a Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash, cash equivalents and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

Liquidity Risk

The Group manages its liquidity risk by preparing and monitoring forecasts of cash expenditures to ensure that it will have sufficient liquidity to meet liabilities when due. The Group's accounts payable and accrued liabilities generally have maturities of less than 90 days. At December 31, 2015, the Company had cash of $8,534,669 to settle current liabilities of $8,461,122. The Company has trade accounts receivable of $14,959,304 which are due and payable by customers which will help in meeting the obligations of the Company.

Undiscounted cash flows of financial liabilities based on maturity date are as follows:

Financial Liabilities	1 year	2 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	4,961,331	-	-	4,376,006
Long-Term Borrowings	42,149	19,873,006	-	19,915,154
Obligations under finance lease	2,013,652	5,177,264	-	7,190,916

Fair Value Hierarchy

The following summarizes the methods and assumptions used in estimating the fair value of the Group's financial instruments where measurement is required. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy included in IFRS.

Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level two includes inputs that are observable other than quoted prices included in level one.

Level three includes inputs that are not based on observable market data.

All of the Group's cash is level one as per the fair value hierarchy included in IFRS.

CAPITAL MANAGEMENT

The Company's primary objectives when managing capital are to continue the development of the business and support new growth initiatives. The Board of Directors does not establish quantitative capital criteria for management, but rather relies on the expertise of the Group's management to sustain future development of the business, and continued growth.

The Group includes equity, comprised of issued capital stock, warrants and conversion rights and deficit, in the definition of capital. The Group is dependent on internal as well as external financing to fund its activities. In order to carry out planned business activities and pay for administrative costs, the Group will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Group, is reasonable.

Capital Structure

During the prior fiscal year 2014, the Company had two shareholders and 150 shares outstanding.

On April 2, 2015, DistinctTech amalgamated with two Ontario numbered holding companies (2210291 Ontario Ltd. & 2210296 Ontario Ltd.), owned at that time by the sole shareholders of DistinctTech, for tax planning purposes. The 150 common shares of DistinctTech along with all the shares of the numbered companies were returned to treasury for cancellation and 151,000,000 common shares were issued as replacement to the existing shareholders.

On April 27, 2015, the Company closed its first round brokered private placement, issuing 30,682,705 units at $0.10 per unit for gross proceeds of $3,068,271. Each Unit consists of one common share and one-half common share purchase warrant.

On May 4, 2015, the Company closed the second round of its brokered private placement, issuing 10,590,000 units at $0.10 per unit for gross proceeds of $1,059,000. Each Unit consists of one common shares and one-half common share purchase warrant.

On June 1, 2015, the Company closed the third round of its brokered private placement, issuing 14,292,940 units at $0.10 per unit for gross proceeds of $1,429,294. Each Unit consists of one common shares and one-half common share purchase warrant.

Each whole common share purchase warrant (“Warrant”) has an exercise price of $0.20 per share and expires within 36 months of issuance. The Warrants are subject to a forced conversion (“Forced Conversion”), at the option of the Company, if the common shares trade at or above $0.30 per share for a period of 20 non-consecutive trading days. The Warrants will expire on the 20th business day following the date that notice of the Forced Conversion is sent to the Warrant holders.

The brokered private placement was led by Mackie Research Capital Corporation, and the agreement provided for a 6% cash commission and an 8% commission in the form of broker options. There were 4,317,252 broker options for units consisting of one common share and one-half common share purchase warrant, exercisable at any time up to 36 months from closing at an exercise price of $0.10.

On August 13, 2015, the Company acquired 38,048,964 QE2 shares at $0.085 per share, as part of the reverse takeover (“RTO”) transaction. Additionally, the Company issued 10,653,282 at $0.085 per share to a third party as finders’ fee for the RTO transaction.

On November 25, 2015, the Company issued 8,000,000 shares at $0.085 per share to a creditor as part of the loan agreement with Crown Capital.

The total DIG common shares outstanding as at December 31, 2015 was 263,267,891 and fully diluted shares of 316,320,382.

OTHER MD&A REQUIREMENTS

As defined in National Instrument 52-109 — Certification of Disclosure in Issuers' Annual and Interim Filings, disclosure controls and procedures require that controls and other procedures be designed to provide reasonable assurance, and that material information required to be disclosed is duly gathered and reported to senior management in order to permit timely decisions and timely and accurate public disclosure.

The Company has evaluated the effectiveness of its disclosure controls and procedures, as defined, and has concluded that they were effective as of the end of the period covered by this MD&A, as well as of the date of this MD&A. The Company has evaluated its internal controls and financial reporting procedures and have found them to be effective with the objective of reporting the Company's financial transactions.