MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

For the Three and Nine Months Period Ended September 30, 2020

Basis of Presentation:

The following discussion of the financial condition and results of operations of Noble Iron Inc. ("Noble Iron," or the "Company") should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the three and nine month periods ended September 30, 2020 and September 30, 2019, which were prepared under International Financial Reporting Standards ("IFRS") using Noble Iron Inc.'s functional currency of Canadian dollars. This MD&A has been prepared as of November 16, 2020 to help investors understand the financial performance of the Company and to provide information that management believes is relevant for an assessment and understanding of the business, risks, opportunities and performance measures of the Company. We have prepared this document in conjunction with our broader responsibilities for the accuracy and reliability of the financial statements and the development and maintenance of appropriate internal controls in our efforts to ensure that the financial information is complete and reliable. The Company's Board of Directors has reviewed this document and all other publicly reported financial information for integrity, usefulness and consistency.

Additional information about the Company, including copies of the Company's continuous disclosure materials, is available at www.nobleiron.com or under the Company's profile on SEDAR at www.SEDAR.com. The Company maintains its registered head office in Ontario, Canada, with executive management based in California, USA. The Company's Investor Relations department can be reached at 1 (866) 762-9475. The information on the Company's website is not considered to be a part of this MD&A.

Forward Looking Statements:

This document may contain forward-looking statements that reflect the Company's current expectations regarding future events. The forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "estimate", "expect", "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These forward-looking statements involve risk and uncertainties, including the difficulty in predicting acceptance of and demands for new products and services, the impact of the products, services and pricing strategies of competitors, delays in developing and launching new products and services, fluctuations in operating results and other risks, any of which could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. There are many inherent risks in the industry in which the Company operates. The reader should consult the Company's ongoing public filings available on www.SEDAR.com under the Company profile for additional information on risks and uncertainties relating to these forward-looking statements. The reader should not place undue reliance on any forward-looking statements. Management assumes no obligation to update or alter any forward-looking statements whether as a result of new information, further events or otherwise, unless required by law.

Non-IFRS Measure:

The term "Adjusted EBITDA" used in this MD&A refers to net earnings (loss) before interest expense, income taxes, depreciation, amortization, acquisition expenses, stock-based compensation, severances, foreign exchange, lease termination payments and other extra ordinary and non-recurring items. The Company believes that Adjusted EBITDA is useful supplemental information as it provides an indication of the results generated by the Company's main business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration the other items listed above. The MD&A presents adjusted EBITDA, as a non-IFRS financial measure, to assist readers in understanding the Company's performance during the period in discussion herein. Please refer to table 2 on page 5 of this MD&A for a reconciliation of Adjusted EBITDA to the "Issuer's GAAP" (as such term is defined in National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards). This non-IFRS measures does not have any standardized meaning and is therefore unlikely to be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Overview:

The Company (TSX Venture Exchange symbol "NIR") operated directly in equipment rental and equipment sales until May 5, 2017 when it sold its equipment rental business. Noble Iron continues to develop and sell cloud-based and on-premise software for construction and industrial equipment owners and users.

The Company is focused on investing in scaling its software business by developing and deploying new Software-as-a-Service (SaaS) products to existing and new customers in various construction and industrial service sectors. The Company's strategy involves establishing a platform ecosystem, comprised of multiple software applications and services, to make our customers' work easy and instant. The strategy includes developing software products and new service offerings internally, as well as exploring acquisitions, partnerships, and other investment initiatives.

The Company operates under the name "Texada Software." Texada Software offers cloud or client-based software for equipment rental companies, equipment dealerships, construction companies, contractors, and customers who own or use construction or industrial equipment. Texada Software develops software applications to manage the equipment ownership lifecycle, including equipment purchasing, rental and sales transactions, inventory management, maintenance, depreciation tracking, as well as used equipment sales, disposal and inventory replenishment. Following the sale of the equipment rental and dealership operations, the Company's sole operating business is currently in software. Since May 5, 2017, the Company has focused on investing in its software business, and has expanded its software resources with additional engineering, sales and marketing investment in Canada and the United States. The Company plans to further develop and deploy its existing software applications, including SRM (Systematic Rental Management), and new products such as FleetLogic, Gateway and Texada Pay. The Company also plans to consider additional strategic opportunities in addition to software.

The Company is subject to a number of risks and uncertainties associated with the achievement of sustainable profitability. The Company has incurred net losses and used significant cash in its operating activities since incorporation. Before the sale of its California rental operations the Company relied on external financing, primarily through debt and private equity financing. With the sale of its California operations, the Company generated sufficient cash from the sale to fund its operations and to establish its infrastructure.

Recent Developments:

Over the course of 2019, the Company continued to invest in developing its software products and growing its customer base. During the second quarter of 2019, the Company invested in developing a payment processing platform called "Texada Pay." Texada Pay provides Texada's rental and asset management software customers with the capability to process credit card and ACH payments directly within their own applications as well as Texada's e-commerce store and Customer Portal solution, called "Gateway." Texada Pay also offers the ability to securely store credit card and ACH information, so that customers can easily collect payments for cycle-billed rental transactions.

Texada Pay was officially released to the North American market in the third quarter of 2019 and to Asia Pacific customers in the fourth quarter of 2019.

The Company also invested in the development of a Business Intelligence (BI) tool, "Texada Analytics," a comprehensive customizable dashboard for customers who use Texada software to manage their business.

During the fourth quarter of 2019, the Company was selected by a large customer, ERS Caterpillar, as its equipment rental software provider for all of its locations. ERS Caterpillar went live in May 2020 on Texada's SRM, FleetLogic mobile field service and logistics application and GateWay e-commerce suite.

During the first quarter of 2020, the Company continued to invest in the development of its software products and growing its customer base.

During the second quarter of 2020, the Company released its "electronic signature" application to customers globally, to provide the ability to capture signatures electronically so that documents can be digitally signed, submitted and stored.

During the third quarter of 2020, the Company was selected by another large Caterpillar dealership, Milton CAT, as its equipment rental software provider. Once fully implemented in Q1 2021, Milton CAT. will be using Texada's SRM, FleetLogic mobile field service and logistics application and GateWay e-commerce suite in all their locations.

Description of The Company's Business:

Enterprise Asset Management Software

Texada Software's revenues are primarily derived from recurring license revenues that include user license fees, server license fees, Software-as-a-Service ("SaaS") subscription fees, and contract development and upgrade fees. In addition to these fees, Texada Software generates maintenance and service revenue. The products are generally licensed under single-year or multi-year terms, both of which are arranged to automatically renew. Maintenance fee arrangements generally include ongoing customer support and rights to certain product updates. Service revenue consists of professional fees charged for product training, consulting, and implementation and programming services. Contract revenue is derived from contracts for the development of custom applications. Customers typically purchase a combination of software, maintenance, and professional services.

The Company's Markets:

Equipment Asset Management Software

Customers in the North American construction equipment rental sector currently account for approximately 78% of the Company's software revenue. It is estimated that there are more than 30,000 companies worldwide that rent various types of equipment, 12,000 of which conduct business in the United States and Canada.

The market for rental management software has existed for over 30 years, and management estimates there are more than 200 providers of rental management software to the three primary segments of the rental market. Most companies in this sector are private companies, making it difficult to accurately assess the size of this market.

Management's view is that the increased adoption of cloud-based software and mobile applications among the Company's existing and target software customers presents significant growth opportunities.

Industry and economic factors

Over the course of 2019 and the first three quarters of 2020, no significant broader industry or economic factors had any material impact on the Company's performance. The Company's view is that the rising trend of the rental market in construction, industrial and other applications will cause the Company's current customer base to further grow and will also usher in new entrants into the rental industry, yielding a growing market for the Company's software offerings.

COVID-19

Since December 31, 2019, the outbreak of the novel strain of coronavirus called SARS-CoV-2, which causes COVID-19, has resulted in governments worldwide enacting emergency measures including, but not limited to, self-imposed quarantine and social distancing, closure of businesses and construction sites resulting in a global economic slowdown. The impact of COVID-19 could negatively impact the Company's operations and customers by prolonged regional and global closures of the Company's customer base operations, including stop work orders on existing contracted work for an unknown period of time, stalling projects from going live on the software and new customer onboarding. Any closures, quarantines and labor shortages of the Company's customers may adversely impact the Company's revenues and cash flows.

We continue to respond to the COVID-19 pandemic and to take pro-active measures to preserve the strength of our business in this challenging environment. In addition to the steps taken previously in March 2020, we did further restructuring and undertook cost cutting initiatives along with securing grants and subsidies through local government programs to improve our financial position. We believe that with our resilient recurring revenue business model, strong liquidity, and remotely viable business operation model, we are well-positioned to sustain our business in this uncertain environment and generate significant long-term value when market conditions recover. Given the uncertainty in the broader economic environment, we continue to plan for a wide range of scenarios including cash preservation and strengthening the balance sheet.

Being a trusted rental software solution for many customers, a large number of whom have been deemed essential businesses, our plan is focused on helping our customers with continuity of their businesses and ensuring there are no interruptions in service which may be detrimental to our customers' operations.

As of the date of this MD&A, the Company anticipates an upward trend for companies to increase the use of the Company's cloud software solution both through conversion on on-premise customers to the cloud offerings and through uptake of new customers and expects that its products may gain additional traction in the foreseeable future. The Company continues to work closely with suppliers and customers to meet their requirements during this period; however, there can be no assurances that the Company will continue to see increased demand, nor be able to fully supply that demand.

Since it is not possible to accurately assess the magnitude, outcome or duration of the COVID-19 crisis, the outlook over the next period is uncertain and we cannot predict the full impact of COVID-19 on the Company's operations and growth.

2020 and 2019 Business Developments:

Company Results

The Company's objectives during 2020 included the ongoing migration of its existing customers from customized software products to its current standard cloud-based version, converting on-premise software clients to Texada's SaaS cloud-based offering, as well as developing and marketing specific software products, mobile applications and support capabilities. The Company also invested in additional software development, marketing and sales resources to further expand the software customer base and to serve existing customers with new products and services.

The Company continues to focus on investing in developing and marketing new proprietary software, such as the FleetLogic, Gateway, Texada Pay, Texada Analytics, E-signature and RentalLogic applications.

Results from Continuing Operations:

Consolidated Financial Highlights from Continuing Operations

Table 1:

Consolidated Financial Highlights from continuing operations (000's except EPS)	Nine Months Ended		Three Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
Revenue	$ 4,351	$ 4,345	$ 1,457	$ 1,388
Cost of revenue	(270)	(552)	(63)	(184)
Expenses, interest, and taxes	(3,829)	(6,761)	(1,079)	(2,194)
Net income (loss)	$ 252	$ (2,968)	$ 315	$ (990)
Adjusted EBITDA*	150	(2,776)	441	(941)
Income (loss) per share - basic and diluted	$0.01	($0.11)	$0.01	($0.04)

	As at September 30, 2020	As at December 31, 2019
Total Assets	6,830	6,424
Total Current Liabilities	1,161	1,096
Total Non-Current Liabilities	506	345
Total Shareholders Equity	5,164	4,983

* Adjusted EBITDA is a non-IFRS measure and is discussed in the "Introduction – Non-IFRS Measure" section of the MD&A.

Table 2:

Comparative Financial Results (000's) - Consolidated Company	Nine Months Ended			Three Months Ended		
	September 30, 2020	September 30, 2019	Percentage Change	September 30, 2020	September 30, 2019	Percentage Change
Revenue	$ 4,351	4,345	0%	$ 1,457	1,388	5%
Cost of revenue	(270)	(552)	51%	(63)	(184)	66%
Expenses						
Support, maintenance and delivery	(633)	(953)	34%	(155)	(286)	46%
Research and development	(1,010)	(2,135)	53%	(230)	(685)	66%
Sales and marketing	(717)	(1,238)	42%	(182)	(425)	57%
General and administration	(1,686)	(2,445)	31%	(424)	(817)	48%
Interest (expense) income	(4)	14	128%	(5)	5	200%
Foreign exchange gain (loss)	221	(4)	(5,635%)	(83)	14	(693%)
Net income (loss)	**252**	**(2,968)**	**108%**	**315**	**(990)**	**132%**
Add:						
Depreciation / Amortization	116	182	36%	38	62	39%
Share based payments	1	20	95%	0	6	96%
Interest expense (income)	4	(14)	128%	5	(5)	200%
Foreign exchange (gain) loss	(221)	4	5,635%	83	(14)	693%
Adjusted EBITDA*	**$151**	**($2,776)**	**105%**	**$441**	**($941)**	**147%**

* Adjusted EBITDA is a non-IFRS measure and is discussed in the "Introduction – Non-IFRS Measure" section of the MD&A.

Table 3:

Quarterly Results (000's)	2020			2019				2018
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenue	$ 1,457	$ 1,538	$ 1,356	$ 1,404	$ 1,388	$ 1,516	$ 1,441	$ 1,895
Cost of revenue	(63)	(84)	(123)	(115)	(184)	(194)	(174)	(185)
Net income (loss)	315	400	(464)	(791)	(990)	(975)	(1,003)	(1,618)
Add Back:								
Depreciation/Amortization expense	38	39	39	75	62	60	59	16
Income tax recovery	-	-	-	(22)	-	-	-	(118)
Share based payments	0	0	0	2	6	6	8	11
Interest expense (income)	5	(6)	5	8	(5)	(6)	(3)	(3)
Foreign exchange loss (gain)	83	(113)	(192)	7	(14)	(3)	22	1,032
Adjusted EBITDA	441	321	(612)	(720)	(941)	(918)	(918)	(680)
Income (loss) per share - basic and diluted	$ 0.01	$ 0.01	$ (0.02)	$ (0.03)	$ (0.04)	$ (0.04)	$ (0.04)	(0.06)
Weighted Avg. Shares Outstanding**	27,267,479	27,267,479	27,267,479	27,267,479	27,267,479	27,267,479	27,267,479	27,363,643

* Adjusted EBITDA is a non-IFRS measure and is discussed in the "Introduction – Non-IFRS Measure" section of the MD&A.
** Weighted average shares outstanding (Basic) does not include the 1,959,500 options outstanding as at September 30, 2020.

The Company recorded revenues of $4.3 million for the nine months ended September 30, 2020 and 2019, resulting in no change in period-over-period revenue. For the three months ended September 30, 2020 and 2019, the Company recorded revenues of $1.5 million and $1.4 million, respectively, resulting in an increase of 5% or $0.1 million. Even though the quarter-over-quarter revenue increased by 5%, the revenues for the nine months ended September 30, 2020 remained fairly consistent due to lower activity on non-recurring revenue in the second quarter due to the initial restrictions imposed by COVID-19. As of September 30, 2020, the Company has signed contracts from new and existing customers for not yet implemented software and related services totaling $0.8 million "backlog revenues", comprising of $0.5 million in annual recurring revenue and $0.3 million of non-recurring revenue from services and implementation. For clarity, backlog revenue does not include future revenue from ongoing contracts with existing customers. The Company believes backlog revenue is important supplemental information because it further describes the Company's sales activities.

The Company recorded cost of revenue of $0.3 million and $0.6 million for the nine months ended September 30, 2020 and September 30, 2019, respectively, resulting in a period-over-period decrease of 51%. The decrease was primarily due to cost cutting initiatives for data hosting services and some cost reduction in Software Licenses and Support costs.

The Company recorded expenses of $3.8 million and $6.8 million for the nine months ended September 30, 2020 and 2019, respectively, resulting in a decrease of 43% or $2.9 million. The reduction was largely due to cost reduction initiatives primarily in research and development, support, maintenance and delivery and general and administrative expenses. The Company also benefitted from various government programs in response to the COVID-19 pandemic in the form of assistance and subsidies of a total of approximately $0.9 million. These government assistances may not be available to the Company in the longer term.

The Company recorded a net income of $0.3 million and net loss of $3.0 million for the nine months ended September 30, 2020 and 2019, respectively, resulting in a decrease in loss of $3.2 million or 108%. The decrease is in line with the Company's expense reduction initiatives that were executed at the end of the third quarter of 2019 and further reduction at the end of the second quarter of 2020, along with the positive uptake from grants and subsidies from various governments in the economic regions in which the Company operates. For the three months ended September 30, 2020, the Company recorded net income of $0.3 million as compared to a net loss of $1.0 million for the three months ended Semptember 30, 2019.

The Company recorded adjusted EBITDA of $0.2 million and ($2.8) million for the nine months ended September 30, 2020 and 2019 respectively. Even though the Company's revenue remained the same for the nine months ended September 30, 2020 the improvement in EBITDA was primarily a result of the Company's expense reduction initiatives and subsidies from various government programs.

The increase of $0.4 million in total assets of the Company is directly attributed to cash received in the form of Notes and subsidies to assist the Company to meet its working capital requirements. The increase in total shareholders' equity of $0.2 million since December 2019 is in line with the net income for the nine-month period of $0.3 million, reduced by the impact of the cumulative translation adjustment of $0.07 million on the Company's foreign entities balances.

Liquidity:

Liquidity risk is the risk the Company will not be able to meet its obligations as they become due. The Company manages its liquidity risk through cash and debt management. See "Liquidity Risk" below.

The Company manages liquidity by assessing future cash flow requirements. Cash flow estimates are based upon rolling forecasts that consider cash restrictions and anticipated operating results. The Company hasn't had any debt and other loans since 2017 until the second quarter of 2020. During the second quarter for 2020, the Company received a loan in the form of a Note under the Paycheck Protection Program ("PPP"). The PPP was established to provide relief to Canadian businesses in response to the COVID-19 pandemic, The Company has received a forgivable loan of $0.2 million and has fully utilized the loan by the end of the third quarter. During the third quarter of 2020, the Company received another loan in the form of a Note under the Queensland Rural and Industry Development Authority (QRIDA) COVID-19 Job Support Loans (Program). The Program was established to assist small businesses to meet their working capital expenses. For more information, please see note 3 in the notes to the interim consolidated financial statements for the period ended September 30, 2020 and December 31, 2019. The Company also received subsidies and grants as a result of the COVID-19 pandemic from various governments in the economies in which it operates to assist with operating expenses of a total of $0.7 million. The Company is in a cash positive position. Cash, which is surplus to working capital requirements, is typically held as deposits in both US and Canadian funds with large financial institutions.

Cash Flow:

As of September 30, 2020, the Company had cash of $5.3 million and working capital of $5.1 million compared to cash of $4.9 million and working capital of $4.6 million as at December 31, 2019 and cash of $5.2 million and working capital of $5.3 million as at September 30, 2019. The cash is fairly consistent due to cash received in the form of loans and subsidies along with the Company's expense reduction initiatives to reduce its burn while still investing in development of new products, increase in sales and marketing efforts and hiring of a highly skilled workforce to assist growth.

During the first nine months ended September 30, 2020, the Company did not make any long-term commitments. The Company continues to invest in research and development of new products and services, sales and marketing and other strategic growth initiatives.

We are focused on cash preservation and continue to evaluate all options to ensure we maintain financial capacity and flexibly to navigate the current environment and emerge stronger over the current economic downturn as conditions improve.

Off-Balance Sheet Arrangements:

During the nine months ended September 30, 2020, the Company did not participate in any off-balance sheet arrangements.

Transactions Between Related Parties:

The Company’s related parties are its Board of Directors and key management personnel, including the Company’s Chairman and Chief Executive Officer, Nabil Kassam, as well as any companies controlled by key management personnel or directors.

Transactions conducted with related parties took place in the normal course of operations and are measured at the amount of consideration established and agreed to by the related parties. These transactions comprise of employment compensation, benefits and share-based compensation awards.

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Changes in Accounting Policies:

The significant accounting policies used in preparing the nine months ended September 30, 2020 interim condensed consolidated financial statements are unchanged from those disclosed in the Company's 2019 annual consolidated financial statements except for the adoption of new standards effective January 1, 2020.

New standards and interpretations adopted:

i IFRS 3, Business Combinations (“IFRS 3”)

In October 2018, the IASB issued amendments to the definition of a business in IFRS 3 to help entities determine whether an acquired set of activities and assets is a business or not. The amendments clarify the minimum requirements for a business, removed the assessment of whether market participants are capable of replacing any missing elements, added guidance to help entities assess whether an acquired process is substantive, narrowed the definitions of a business and of outputs and introduced an optional fair value concentration test. These amendments are effective and shall be applied to business combinations for which the acquisition date is on or after the beginning of the first annual reporting periods beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period.

ii IAS 1, Presentation of Financial Statements (“IAS 1”) and IAS 8 Accounting policies, Changes to Accounting Estimates and Errors (“IAS 8”)

In October 2018, the IASB issued ‘*Definition of Material’*, an amendment to IAS 1 and IAS 8 to provide a new definition of material that states “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.”

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments are applied prospectively and are effective beginning January 1, 2020. These amendments had no impact on the interim condensed consolidated financial statements of, nor is there expected to be any future impact to the Company.

Financial Instruments:

The Company is exposed to certain risks related to its financial instruments during its normal course of business including, but not limited to liquidity risk, foreign currency risk, interest rate risk, and credit risk. The Company’s financial instruments are detailed below. The Company manages these financial instruments to support the Company’s strategy for growth and ongoing operations.

Management has determined the carrying amount of its short-term financial assets, including cash and cash equivalents and accounts receivable, approximates fair value at the reporting date. The amortized cost related to these items as of September 30, 2020 was $6.2 million (September 30, 2019 - $6.3 million).

Management has determined that the carrying amount of its short-term financial liabilities, including accounts payable and accrued liabilities and other current liabilities approximate fair value at the reporting date due to the short-term maturity of these obligations. The amortized cost related to these items as of September 30, 2020 was $1.1 million (2019 - $0.9 million).

The Company received loan proceeds of approximately $0.2 million in the second and third quarter of 2020, respectively, in the form of a note under the Paycheck Protection Program ("Note") administered by the U.S. Small Business Administration and under the QRIDA Program. The fair value of the Note as at September 30, 2020 was $0.2 million. The Company did not have any short-term or long-term debt that are measured at amortized cost at September 30, 2020, and September 30, 2019.

Capital Resources:

During the first three quarters of 2020, the Company made no commitment for capital expenditures. Management does not expect fluctuations in the Company's capital resources. There are no sources of financing that the Company has arranged but not yet used.

Risks and Uncertainties:

The Company's management team is responsible for the evaluation and management of risk factors affecting the Company. The following is management's assessment of the significant risks that would have the greatest impact on the Company over the ensuing 12 to 18 months given currently available information. This analysis contains forward looking statements that may differ materially from actual results.

COVID-19:

The Company's has included a discussion of risk as a result of COVID-19 in its annual MD&A for the years ended December 31, 2019 and 2018, which is available at www.sedar.com under the Company's profile.

Liquidity Risk:

The Company is subject to a number of risks and uncertainties associated with the achievement of sustainable profitability and with the financing requirements of its operations.

The Company has been in a strong cash position since the sale of its California rental business and the repayment of all of the Company's debt. The Company has been able to secure loan, grants and subsidies during the year to assist in meeting its working capital requirements. As a result, liquidity risk to the Company has been dramatically reduced, which is evidenced by the September 30, 2020 cash balance of $5.3 million. The Company generated cash through its operations as evidenced by the net income of $0.2 million during the first three quarters of 2020.

To fund its planned growth over the next couple of years, the Company has sufficient cashflow remaining such that it may not be required to look for working capital financing in the near future. Due to the Company's expense restructuring initiatives during the last quarter of 2019 and the second quarter of 2020, the Company does not anticipate any additional financing needs in the near future.

Working capital requirements:

The Company has sufficient financial resources to meet its current working capital requirements, current and planned personnel, infrastructure, systems, procedure and controls and new investments for the growth planned for at least two years, without having to procure additional financing. If the Company fails to manage its expansion effectively, its business, operations and prospects may be materially and adversely affected.

The Company's business is characterized by high working capital requirements and the need to make investments into new products and employee resources to meet the requirements of our customers. Similar to the Company's competitors in its industry, it incurs significant development costs and investment in its products to provide solutions, hiring and training of new employee resources. Such expenses are historically incurred before revenues are generated.

The Company is exposed to adverse changes in its customers' payment practices. If its customers implement practices which extend the payment terms of the Company's invoices, its working capital levels could be adversely affected and may require us to look at working capital financing options within two years.

Revenue and Collection Risk:

The Company has a large number of customers with relatively small account balances and this exposes the Company to aggregate billing and collection risk. These risks can include missed billings, unwarranted credits, additional time to collect payments and greater risk of customer default. Continual process improvements are made to ensure timely collection of the Company's trade receivables. These efforts include the positioning of resources and technology to improve the efficiency of invoicing, collections and customer credit extension.

Technology and Software Development:

The process of developing technology from concept stage, through to design and final production involves time to complete testing, redesign and adoption by customers. Unexpected testing results or performance irregularities are normal in a development process and can result in new product offerings being delayed beyond projected timeframes or slow adoption from customers. The risk of not developing and introducing reliable products, on a timely basis, presents a risk to the Company's software business.

Reliance on Key Personnel:

The success of The Company depends on the abilities, experience, efforts and knowledge of their respective senior management and other key employees, including its ability to retain and attract effective management and employees. The loss of services from key personnel could have a material adverse effect on The Company's business, financial condition, results of operations or future prospects, particularly since it does not enter into non-competition arrangements with senior management and other key employees in certain circumstances. In addition, the growth plans described in this MD&A may require additional employees, increase the demands on management, and produce risks in both productivity and retention levels. The Company may not be able to attract and retain additional qualified management and employees as needed in the future. There can be no assurance that The Company will be able to effectively manage its growth, and any failure to do so could have a material adverse effect on its business, financial condition, results of operations and future prospects.

Foreign Currency and Exchange Risk:

Foreign currency risk in the exchange rates between the Canadian dollar and foreign currencies could affect the Company's operating and financial results. The Company is exposed to foreign currency risk. To date, the Company has funded its growth by issuing equity in Canadian funds and through the sale of its California rental business in US dollars. The Company's management monitors exchange rate fluctuations and presently does not use any derivative instruments to manage foreign currency exposure. As the Company continues to grow its US operations, exposure to foreign currency risk may increase with the likelihood of the Company employing exchange rate derivative instruments

Outstanding Share Data:

The Company has authorized share capital of an unlimited number of common shares as well as 100,000,000 preferred shares without par value, issuable in one or more series. As of the date of filing this MD&A, the Company had 27,267,479 common shares issued and outstanding and no preferred shares outstanding.

The Board of Directors ratified, confirmed, and approved a Restricted Share Plan that was adopted effective June 10, 2014. A maximum of 1,000,000 of the Company's shares were available for grant under the Restricted Share Plan. On July 15, 2020, the Board of Directors discontinued the Restricted Share Plan. At the time of discontinuation, no restricted shares and ever been issued. Further information can be found in the Company's interim consolidated financial statements for the periods ended September 30, 2020 and 2019.

Pursuant to its stock option plan established May 15, 2002, amended June 10, 2014, the Company has reserved for issuance 3,283,095 of its common shares. As a result of discontinuance of the Restricted Share Plan on July 15, 2020, the Board of Directors approved the increase in the maximum number of options available under the Stock Option Plan to a total of 5,453,495, representing 20% of the current issued and outstanding shares. The shareholders of the Company ratified the amendment to the stock option plan to increase the total options available for grant on August 20, 2020. As at September 30, 2020, the Company had a total of 1,959,500 stock options outstanding. There were no new grants during the first three quarters of 2020.

Subsequent Events:

Subsequent to the nine months ended September 30, 2020 the Company did not have any events to report.

Additional information relating to the Company is available under the Company's profile on SEDAR at www.SEDAR.com