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MANAGEMENT'S DISCUSSION AND ANALYSIS of Financial Position and Operating Results for the quarter ending November 30, 2018 - effective January 29, 2019

The following management's discussion and analysis ("MD&A") should be read in conjunction with the Armada Data Corporation's unaudited interim consolidated financial statements for the period ended November 30, 2018, and accompanying notes, and the Company's annual audited consolidated financial statements for the years ended May 31, 2018 and 2017 and accompanying notes. The results reported herein have been prepared in accordance with International Accounting Standards, using accounting policies consistent with International Financial Reporting Standards ("IFRS") and are presented in Canadian dollars.

These unaudited interim consolidated financial statements have been prepared in accordance with International financial Reports Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The accounting policies have been selected to be consistent with IFRS as was effective May 31, 2012, the Company's first annual IFRS reporting date. These accounting policies have been applied consistently to all periods presented.

Additional information relating to Armada Data Corporation is filed on SEDAR, and can be viewed at www.sedar.com

Company Overview

Armada Data Corporation ("Armada" or the "Company") is an Information Services Company providing accurate and real-time data to institutional and retail customers, through developing, owning and operating automotive pricing related web sites and providing information technology and marketing services to its clients.

Armada is a publicly traded Canadian company with its shares listed on the TSX Venture Exchange under the trading symbol ARD. Armada currently has a total of 17,670,265 shares outstanding. The Company has been based in Mississauga, Ontario since its inception in July 1999.

On October 1, 2011, Armada acquired 90% the issued and outstanding shares of The Big & Easy Bottle Brewing Company Inc. ("TBE"). TBE owns 100% of all the issued and outstanding commons shares of Mister Beer Inc. ("MB"), a company which invented and has a patent pending on a unique "microbrewery in a bottle", allowing consumers to produce premium beer at roughly half the cost of regular beer. Management made the decision to close the Mister Beer production facility and cease operations, effective December 31, 2014.

The Company's operations consisted of three main segments: Insurance Services, CarCostCanada, (combining the former Retail, Dealer and Advertising/Marketing divisions) and Information Technology (IT) Services.

The Insurance Services division derives its revenue from the sale of total-loss replacement vehicle reports to major Canadian insurance companies.

The CarCostCanada division derives its revenue from: the sale of new car pricing data to consumers primarily through the Company's flagship website www.CarCostCanada.com; the reselling of new car pricing data to qualified third-party vendors; through the sale of new vehicle customer leads derived from membership sales from CostCostCanada; and the sale of online third-party website advertising, consulting fees and other new car or car business related marketing activities. In previous periods, these revenues were reported separately, but because these revenues are all earned directly or indirectly from the website www.CarCostCanada.com, the three segments have been combined and all previous periods' comparative information has also been combined.

The Information Technology division comprises web and email hosting, online marketing, search engine optimization, technical support and network support services (for both internal use and retail sales) and the resale of hardware and software solutions.

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Selected Quarterly Information

Fiscal Year	2019	2019	2018	2018	2018	2018	2017	2017
Quarter Ended	Nov-30 2018	Aug-31 2018	May-31 2018	Feb-28 2018	Nov-30 2017	Aug-31 2017	May-31 2017	Feb-28 2017
Total Revenue	704,521	748,287	684,745	738,577	758,242	777,838	594,625	569,029
Comprehensive Income(Loss) before taxes	(30,407)	91,679	(144,518)	51,456	166,941	199,064	(118,352)	51,733
Comprehensive Income per share	$0.00	$0.01	$(0.01)	$0.00	$0.01	$0.01	$(0.01)	$0.00

Operations

The Company's total revenue decreased by 7% in the period ended November 30, 2018 to $704,521 from $758,242 in the same period a year earlier. Comprehensive income decreased to comprehensive loss of $(30,407) in this quarter, down 118% from $166,941 at November 30, 2017. Stock-based compensation expenses, and an increase in personnel account for this decrease. The increase in personnel has not yet had the desired effect of increasing revenue because of some missed deadlines for new and ongoing projects.

The Insurance Services division experienced a 4% decrease in revenue, from $382,744 in the three months ended November 30, 2017 to $369,721 in 2018.

The Company has combined the Retail, Dealer and Advertising/Marketing divisions into one segment, known as CarCostCanada, due to the fact that the revenues earned by these divisions comes directly or indirectly from the carcostcanada.com website, and as the Company has moved into free trial memberships, the business model for the former Retail Services Division has changed. CarCostCanada revenue was down 13% to $270,820 from $311,960 in 2017.

The Information Technology division revenue increased by 1% to $64,410 in the second quarter of fiscal 2019 ended November 30, 2018, from $63,538 in the same quarter in fiscal 2018. IT continues to offer technical support and web site hosting to hundreds of customers, and is developing new customer relationships on a regular basis, as well as offering new services for sale.

Expenses in this second quarter of fiscal 2019 before amortization and stock-based compensation increased to $712,286, compared to $581,435, an 23% increase over the same period last year. After the many cost-cutting measures to reduce expenses in 2015 and 2016, the largest increase is in salaries and wages, and employee benefits. Management is disappointed with these results, which are due to missed deadlines for new projects that are designed to generate more memberships and dealer agreements. Also, the Company has retained the services of a Payroll provider, and as a result, all payroll is paid biweekly, including management. The result of this change means that there are 26 pay periods in a year, rather than 24. Therefore pay periods are not over at the end of each month.

Accounts receivable decreased 14% to $491,406 as at November 30, 2018, compared to $568,554 as at November 30, 2017. Related party accounts receivable increased from $2,416 to $6,048.

Accounts payable decreased 9%, to $236,899 as at November 30, 2018 from $261,389 a year earlier. Related parties accounts payable decreased to nil as at November 30, 2018, from $1,569 last year.

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As a result of the loss reported by the Company in this quarter ended November 30, 2018, the Company's deficit increased to $(872,128) compared to $(839,709) at the quarter ended November 30, 2017. Earnings per share at November 30, 2018 are $0.00, down from $0.01 per share at November 30, 2017.

Management does not plan on issuing any dividends until further notice.

Stock Options

On April 10, 2018, the Company granted options for the purchase of 1,200,000 common shares of the Company, expiring 2 years form the date of grant and with an exercise price of $0.11 per share. The options vest 1/3 every six months beginning six months from the grant date. The Company had no options outstanding prior to April 30, 2018. As of November 30, 2018, 1/3 or 400,000 of the options were exercisable. The remaining fair value of options to be expensed in fiscal years subsequent to May 31, 2018 is $92,772. The fair value of options expenses in the quarter ended November 30, 2018 is $20,948.

Related Party Transactions

Salaries and expenses are paid to a director and officer of the Company, who is also 50% shareholder of Lease Busters Inc. Legal fees are paid to a law firm, of which a partner is a (non-remunerated) director of the Company. In management's opinion, the actual costs noted in this section were paid at fair market value in the normal course of business.

Included in expenses are the following paid to directors and parties related to directors of the Company:

	3 months ended November 30, 2018	3 months ended November 30, 2017	year ended May 31, 2018
Advertising	**$ 900**	$ 325	$ 9,090
Automobile	**3,818**	3,600	14,400
Computer Consulting	**875**	2,295	9,980
Interest	**-**	-	19,460
Management Salaries	**80,032**	75,000	318,406
Professional Fees	**5,400**	12,961	24,996
Rent	**-**	3,000	15,650
Fair value of stock-based compensation expense	**17,457**	-	15,890
	$ 108,482	$ 97,181	$ 427,872
Amounts due from Related Parties	**$ 6,048**	$ 2,416	$ 6,564
Amounts owing to Related Parties	**$ -**	$ 1,569	$ 26,173

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Segmented Quarterly Information

Revenues earned by divisions are as follows:

	3 months ended November 30, 2018	3 months ended November 30, 2017
Insurance Services	**$ 369,291**	$ 382,744
CarCost Canada	**270,820**	311,960
Information Technology	**64,410**	63,538
Total revenue - Armada Data Corp	**$ 704,521**	$ 758,242

Liquidity

Based on a quarter-end cash position of $325,952, accounts receivable of $491,406, and accounts payable of $236,899, the company is in a positive cash position. All divisions of Armada are poised for revenue gains in fiscal 2019 as a result of new projects and feature launches as well as more than one significant partnership that the Insurance Services and CarCostCanada teams are working on. Management believes that these divisions will not only remain very stable and profitable but begin to make significant inroads in new verticals that will result from our partnerships, project releases and new revenue streams. Once the Company completes these new projects, management anticipates the Company's ability to generate more memberships and dealer agreements, as well as increasing the claims processing in the Insurance Services division.

The CarCostCanada division was competition-free for many years and had to re-group and re-strategize in order to prevent further erosion caused by an aggressive competitor. Management expects CarCostCanada.com to start realizing additional market gains this fiscal year and with the overall new car market remaining poised for more growth nationally (and more specifically in the web-rich Canadian urban centres), the division plans to earn more members to enhance the new car buying process for the Canadian new car buying marketplace.

Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that the risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed to are described below.

Credit Risk

The Company is exposed to credit risk due to its accounts receivable, which are stated net of an allowance for doubtful accounts. Cash is held at a major Canadian bank and is not considered to be subject to significant credit risk. Credit risk is the risk that a customer will be unable to pay amounts owed causing the Company to suffer a financial loss. The Company's largest customer accounts for 18.9% (November 30, 2017 15.7%)of consolidated revenue or 36.1% (November 30, 2017 31.1%) of Insurance Services segment revenue. This customer is one of Canada's largest insurance companies and is considered by management to be of negligible credit risk. The Company's remaining consolidate revenue is derived from a large number of relatively small customers and

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therefore are not subject to any concentrations of credit risk. Furthermore, individual revenue transactions are of nominal value.

Management reduces credit risk by monitoring the amounts owed to them by their customers on a regular basis, performing regular credit reviews by any customer that approaches their credit limit or does not keep to their normal payment pattern. While the Company has credit controls and processes for the purpose of mitigating credit risk, these controls cannot eliminate credit risk and there can be no assurance that theses controls will continue to be effective, or that the Company's low credit loss experience will continue. Most of the Company's sale are by credit or with large insurance companies. In the opinion of management, the credit risk is low due to the controls on place and the lack of concentration among customers. This risk is unchanged from prior periods.

Liquidity Risk

The Company is exposed to Liquidity risk of their accounts payable, $236,899 (November 30, 2017 $261,389). Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests. In the opinion of management, the liquidity risk is low and the company is not exposed to a material amount of liquidity risk. This risk is unchanged from prior periods.

Market Risk

The Company is not exposed to significant foreign currency, interest rate or other price risks.

Capital Management

The Company manages its capital structure, which management defines as shareholders' equity net on non-controlling interest, in order to support the acquisition, and development of additional business opportunities and to ensure the Company is able to continue as a going concern. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company will continue to assess new business opportunities and seek to acquire an interest in additional ventures if it feels there is sufficient economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during any of the periods presented herein.

Accounting changes – International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that significantly affected financial reporting requirements for Canadian companies. The AcSB strategic plan outlined the convergence of Canadian generally accepted accounting principles with IFRS over an expected five year transitional year. In February, 2010, the AcSB announced that 2011 was the changeover date for publicly-listed companies to use IRFS, replacing Canada's own generally accepted accounting principles. The date was for

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interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 required the restatement for comparative purposes of amounts reported by the Company for the year ended May 31, 2011.

Controls and Procedures

Disclosure Controls and Procedures - As at November 30, 2018, the Company's senior management, including the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures and concluded that they were effective.

Internal Control Over Financial Reporting - There have been no changes in the Company's internal control over financial reporting during the quarter ended November 30, 2018 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management believes that Armada Data Corporation is taking all the measures necessary to rebound our growth trends in the "data" division and by divesting itself of the Mister Beer division, has reduced the drain on Company finances.

Outlook

The company's outlook is to focus on our main two revenue producing business lines while, at the same time, monitoring and managing the performance of our human resources. The company is confident that with the timely delivery of new and innovative features and services that we will not sustain another disappointing quarter. We plan on taking the following steps to ensure better results and shareholder value:

1. Improving the productivity of our web-development team in order to publish innovative features, services and applications on or ahead of the internal timelines.

2. Concentrate on more member development initiatives at CarCostCanada; enhancing the user experience to supply our new car dealership partners with quality buyer leads and better educated members.

3. Focus on additional partnership and marketing agreements to increase the member-base of CarCostCanada while at the same time, training and servicing our dealership customers to improve their results.

4. Continue to demonstrate to the Canadian insurance company claims community that Armada Insurance Services offers more beneficial attributes in terms of claims settlement valuations, replacement vehicle fulfillment and settlement consultation.

On behalf of the Board of Directors

"R. James Matthews"

R. James Matthews
Chief Executive Officer