Starrex

MANAGEMENT'S DISCUSSION AND ANALYSIS

NINE MONTHS ENDED

SEPTEMBER 30, 2015

April 8, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

Nine Months Ended September 30, 2015

CAUTION CONCERNING FORWARD-LOOKING INFORMATION

This management's discussion and analysis ("MD&A") includes certain forward-looking statements that are based upon current expectations which involve risks and uncertainties associated with the Company's business and the economic environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements, which are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. The forward-looking statements are not historical facts, but reflect the Company's current expectations regarding future results or events. Forward-looking statements contained in this MD&A are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed in the section "Financial Risk Factors" below. Readers are cautioned that the lists of factors are not exhaustive. Although the Company has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in the forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

INTRODUCTION

This MD&A relates to the restated unaudited consolidated financial condition, results of operations and cash flows for the nine months ended September 30, 2015 of Starrex International Ltd. and its subsidiaries (also referred to in this MD&A as we, our, us, or the Company). It should be read in conjunction with our restated audited consolidated financial statements and accompanying notes for the year ended December 31, 2014, which have been prepared using IFRS, and the provisions of National Instrument 51-102. Additional information about the Company, including our financial statements and interim Company filings to date, may also be referenced on the regulatory filings website, www.sedar.com. Unless otherwise indicated, all currency amounts in this MD&A are express in US dollars.

Our Business

Starrex International Ltd. is a company focused on the mortgage, real estate and financial sectors with common shares listed on the Canadian Securities Exchange (Symbol: STX) in the US - OTCQB (Symbol: STXMF). Our primary objective is to acquire, manage and expand companies in mortgage services including mortgage appraisal management, mortgage originations, mortgage servicing and mortgage-backed securitizations.

Company management continues to regularly review and evaluate unsolicited merger and/or acquisition ("M&A") transactions - in diverse financial, resource and industrial business sectors.

Our primary business operations are conducted through our wholly-owned subsidiary, Property Interlink, LLC, a Colorado limited liability company ("Property Interlink"). Property Interlink is a licensed appraisal management company providing objective and comprehensive evaluations of residential real estate.

Restatement

On February 8, 2016, Starrex International Ltd. Announced it would restate its 2014 audited financial statements following discussion with the Ontario Securities Commission (the "OSC") respecting the treatment of the subsidiaries acquired July 9, 2014. During this period, the OSC issued a management cease-trade order prohibiting the Company's Chief Executive Officer and Chief Financial Officer from trading in the securities of Starrex until the 2014 annual audited financial statements, along with the first three quarterly financial statements of 2015 have been restated, filed and subsequently approved by the OSC.

Subsequent to the original issuance of the Company's audited consolidated financial statements as at December 31, 2014, the Company determined that the share consideration issued in exchange for the acquisitions completed July 9, 2014 was incorrectly measured using the concurrent financing price of CAD $0.50. The restated consolidated financial statements and MD&A reflect an increased value allocated to the share consideration issued in exchange for the acquisitions based on the trading price of the Company's stock on the close date of the acquisitions, being CAD $0.95 per share. Furthermore, the original issuance of the December 31, 2014 consolidated financial statements included an unallocated purchase price as management had not yet completed the measurement and recognition of identifiable assets and liabilities included in the purchase price allocation. The restated consolidated financial statements and MD&A include the finalized purchase price allocation which resulted in the recognition of additional intangible assets and amortization related thereto as well as goodwill. The restatement of the Company's consolidated financial statements and MD&A reflects corrections in intangible assets, goodwill, deferred tax liability, share capital and deficit as well as amortization of intangible assets and impairment of goodwill.

Subsequent to the restatement of the Company's 2014 audited consolidated financial statements, the Company also released condensed interim financial statements for the periods ended March 31, 2015 and June 30, 2015. Both of the aforementioned restatements required the Company to issue restated condensed consolidated financial statements for the period ended September 30, 2015.

The following tables reflect the corrections to the Company's condensed consolidated interim financial statements as at September 30, 2015.

Changes to the condensed interim consolidated statements of financial position:

		As previously reported September 30, 2015		Adjustment		Restated September 30, 2015
Other current assets	$	**1,020,085**	$	(1,020,085)	$	**-**
Notes receivable - current	$	**-**	$	965,000	$	**965,000**
Property, plant and equipment, net of depreciation	$	**365,916**	$	1,599	$	**367,515**
Intangible assets	$	**492,055**	$	288,864	$	**780,919**
Goodwill	$	**829,692**	$	(255,693)	$	**573,999**
	$		$	-	$	
Total assets	$	**4,457,226**	$	(20,315)	$	**4,436,911**
Accounts payable and accrued liabilities	$	**222,130**	$	(196,854)	$	**25,276**
Deferred revenue	$	**-**	$	232,566	$	**232,566**
Income taxes payable	$	**-**	$	40,161	$	**40,161**
Notes payable - current	$	**-**	$	102,010	$	**102,010**
Notes payable - long term	$	**205,764**	$	(102,010)	$	**103,754**
Deferred tax liability	$	**355,420**	$	15,522	$	**370,942**
Total liabilities	$	**783,313**	$	91,396	$	**874,709**
Share capital	$	**5,138,672**	$	1,606,979	$	**6,745,651**
Contributed surplus	$	**148,203**	$	99,024	$	**247,227**
Accumulated other comprehensive income	$	**(181,294)**	$	(80,240)	$	**(261,534)**
Deficit	$	**(1,431,668)**	$	(1,737,474)	$	**(3,169,142)**
Total equity	$	**3,673,913**	$	(111,711)	$	**3,562,202**
Total equity and liabilities	$	**4,457,226**	$	(20,315)	$	**4,436,911**

Changes to the condensed interim consolidated statements of loss and comprehensive loss:

	As previously reported nine months ended September 30, 2015	Restatement Adjustment	Restated nine months ended September 30, 2015
Amortization	$ 10,071	$ 88,623	$ 98,694
Depreciation	$ 41,082	$ 17,970	$ 59,052
Share based payments	$ -	$ 99,023	$ 99,023
Net loss from continuing operations	$ (137,872)	$ (205,616)	$ (343,488)
Loss from discontinued operations	$ -	$ (476,822)	$ (476,822)
Net comprehensive loss	$ (137,872)	$ (682,438)	$ (820,310)
Basic and diluted loss per share from continuing operations	$ (0.01)	$ (0.01)	$ (0.02)
Basic and diluted loss per share from discontinuing operations	$ -	$ (0.03)	$ (0.03)

Changes to the condensed interim consolidated statements of loss and comprehensive loss:

	As previously reported three months ended September 30, 2015	Restatement Adjustment	Restated three months ended September 30, 2015
Amortization	$ 3,357	$ 30,705	$ 34,062
Depreciation	$ 14,611	$ 6,178	$ 20,789
Share based payments	$ -	$ 95,316	$ 95,316
Net loss from continuing operations	$ (107,391)	$ (133,338)	$ (240,729)
Loss from discontinued operations	$ -	$ -	$ -
Net comprehensive loss	$ (107,391)	$ (133,338)	$ (240,729)
Basic and diluted loss per share from continuing operations	$ (0.01)	$ (0.01)	$ (0.02)
Basic and diluted loss per share from discontinuing operations	$ -	$ -	$ -

Changes to the condensed interim consolidated statements of cash flows:

		As previously reported September 30, 2015		Restatement Adjustment		Restated September 30, 2015
Net loss for the year	$	(137,872)	$	(205,616)	$	(343,488)
Loss on discontinued operations	$	-	$	(476,822)	$	(476,822)
Stock based compensation	$	-	$	99,023	$	99,023
Depreciation and amortization	$	-	$	157,746	$	157,746
Unpaid interest	$	-	$	10,144	$	10,144
Accounts receivable	$	519,998	$	(347,170)	$	172,828
Accounts payable and accrued liabilities	$	(248,053)	$	(251,638)	$	(499,691)
Deferred revenue	$	-	$	(141,959)	$	(141,959)
Income taxes payable	$	40,161	$	(40,161)	$	-
Cash generated from (used in) operating activities from discontinued operations	$	-	$	387,418	$	387,418
Disposal of assets	$	491,986	$	(491,986)	$	-
Acquisition of subsidiaries	$	573,355	$	(573,355)	$	-
Purchase of property, plant and equipment	$	(110,896)	$	35,377	$	(75,519)
Purchase of intangible assets	$	-	$	(125,417)	$	(125,417)
Divestiture of subsidiary	$	(1,985,085)	$	1,985,085	$	-
Issuance of share capital	$	57,869	$	(57,869)	$	-
Principal repayment on notes payable	$	(85,723)	$	39,200	$	(46,523)

These condensed interim consolidated financial statements include adjustment previously disclosed in the restated 2014 annual audited financial statements, as well as the condensed interim financial statements as at March 31, 2015 and June 30, 2015. Specifically, the Company reclassified the unallocated purchase price allocation, as well as the adjustment to the fair value of the shares issued as consideration on July 9, 2014.

Share capital increased by $1,606,979 reflecting the difference between the original fair value estimate of CAD $0.50 and the final valuation of CAD $0.50 per share for those securities issued for the acquisition of Property Interlink, LLC, One Force Staffing, Inc. and Olympia Capital Management, Inc. and the 50,000 shares issued for the acquisition of Brownlee Appraisal Services, Inc.

Included in the purchase price allocation are intangible assets attributable to employee non-compete agreements as well as established customer relationships in the acquired subsidiaries. In determining the fair value for customer relationships, the Company engaged a valuation firm and utilized the multi-period excess earnings method.

Values attributable to employee non-compete agreements were determined based upon the contractual parameters included in the agreements, applying those parameters to the discounted cash flow models used for determining future projections and applying a probability factor of the employee successfully competing in the marketplace. These amounts are amortized over four to five years.

Additional amortization expense of $88,623 was posted to accurately reflect the additional expense associated with the intangible assets identified in the purchase price allocation of the acquired subsidiaries during 2014, which have been discussed in the 2014 restated audited consolidated financial statements as well as the Management Discussion and Analysis for the year ended December 31, 2014.

Financial Strategy and Industry Regulations

Property Interlink provides residential appraisals to third parties in the United States. In exchange for these contractual services, the Company charges a specific rate, with additional premiums charged for extenuating circumstances with respect to geographic location of the property and size of the property under review. Property Interlink also performs review services for final appraisals. The fee schedules set forth in the internal *Property Interlink, LLC Policies and Procedures* are static and not subject to change, regardless of customer. The only changes made are those stated above.

From time to time, the mortgage industry will pass new regulations or amend existing regulations that impact the appraisal industry with respect to pricing. When this occurs, the Company's compliance personnel provides guidance relative to company-wide rate changes that may be needed to ensure financial viability and shareholder value. These changes are discussed and approved by Senior Management, then implemented accordingly.

Financial Highlights for the nine months ended September 30, 2015

For the nine months ended September 30, 2015 expenses exceeded revenue and other income by $343,488 as compared to $455,833 for the nine months ended September 30, 2014. The loss ending September 30, 2015 is predominately attributable to the increase in professional fees in Starrex International Ltd. for the preparation and ongoing efforts for the filing of the Company's registration statement pursuant to the Securities Exchange Act of 1934. Starrex has incurred $235,905 in professional fees for the nine months ended September 30, 2015, with $81,844 in the third quarter of 2015.

Additionally, the consideration given in exchange for the four subsidiaries acquired in 2014, as well as the acquisition of Brownlee Appraisal Services effective June 1, 2015, were allocated under *IFRS Standard 3, Business Combinations*. While these numbers are unaudited, management does not expect material changes to the allocations and were all measured at fair value. The details of the allocations are shown below:

Property Interlink

Consideration Paid:		
Fair value of 1,260,000 Starrex common shares issued July 9, 2014	$	1,031,814
Allocation of purchase price:		
Cash and cash equivalents	$	73,853
Property, plant and equipment		317,888
Accounts receivable		53,934
Accounts payable		(123,065)
Deferred income tax		(305,723)
Intangible assets		454,137
Goodwill		560,790
	$	1,031,814

One Force Staffing

Consideration Paid:		
Fair value of 1,260,000 Starrex common shares issued July 9, 2014	$	1,031,814
Allocation of purchase price:		
Accounts receivable	$	18,007
Property, plant and equipment		300,485
Deferred income tax		(178,122)
Intangible assets		208,434
Goodwill		683,010
	$	1,031,814

Olympia Capital Management

Consideration Paid:		
Fair value of 1,260,000 Starrex common shares issued July 9, 2014	$	1,031,814
Allocation of purchase price:		
Cash	$	3,399
Accounts receivable		14,748
Accounts payable		(17,122)
Intangible assets		324,585
Deferred income tax		(251,095)
Property, plant and equipment		295,402
Goodwill		661,897
	$	1,031,814

Heinen & Associates

Consideration Paid:		
Promissory note	$	243,688
Heinen rental reimbursement		24,369
Cash payment		48,737
Fair value of 450,000 Starrex common shares issued November 19, 2014		306,441
	$	623,235
Allocation of purchase price:		
Property, plant and equipment	$	94,291
Intangible assets		147,402
Goodwill		381,542
	$	623,235

Brownlee Appraisal Services

Consideration Paid:		
Fair value of 50,000 Starrex common shares issued	$	67,330
Allocation of purchase price:		
Intangible assets	$	67,330
	$	67,330

The following table contains selected financial information taken from the Company's unaudited interim consolidated financial statements for the periods ended September 30, 2015 and the audited consolidated financial statements as at December 31, 2014 and 2013 (translated into United States dollars):

Selected Financial Information	September 30, 2015	June 30, 2015	March 31, 2015	Dec 31, 2014	Dec 31, 2013
Total Assets	$ 4,436,911	$ 4,858,295	$ 5,491,961	$ 5,672,606	$ 1,511,142
Total Liabilities	$ 874,709	$ 1,150,680	$ 1,547,838	$ 1,456,477	$ 177,287
Total Shareholders' Equity	$ 3,562,202	$ 3,707,615	$ 3,944,123	$ 4,216,159	$ 1,333,855

Summary of Quarterly Results

The following table provides selected quarterly consolidated financial information for the periods ending as indicated. It is derived from the unaudited interim consolidated financial statements and the audited annual consolidated financial statements of the Company.

	2015			2014			
Quarterly Results	**September 30**	**June 30**	**March 31**	**Dec 31**	**Sept 30**	**Jun 30**	**March 31**
Total income	$ 1,504,880	$ 1,495,106	$ 1,494,474	$ 1,230,175	$ 990,087	$ 2,433	$ 1,297
Net loss and comprehensive loss	$ (240,729)	$ (242,374)	$ (272,036)	$ (78,349)	$ (189,790)	$ (137,872)	$ (79,168)
Basic and diluted loss per share	$ (0.02)	$ (0.01)	$ (0.02)	$ -	$ (0.02)	$ (0.02)	$ (0.03)

Revenue

Revenue for the three-month period ended September 30, 2015, is comprised primarily of appraisal income generated in Property Interlink, LLC $1,504,463. The remainder is derived from nominal interest income. For the quarter ended September 30, 2015, total revenue increased by $9,744 over the prior fiscal quarter ended June 30, 2015, which is due to the expected increase volume in appraisal activity (see "Results of Operations").

Expenses

Professional fees for the period ending September 30, 2015 are significantly higher than budgeted due to the expenses associated with the preparation and ongoing efforts for the Company's registration statement pursuant to the Securities Exchange Act of 1934.

Total expenses for the period were largely attributable to office and personnel costs, including cost of goods sold in the wholly owned subsidiaries.

Overview of Financial Performance

During the period under review (the nine months ended September 30, 2015), the Company's working and operating capital increased from $1,349,465 at December 31, 2014, to $1,617,440 as of September 30, 2015 as the Company employed its working capital in the development of its business, as well as the registration statement for the Securities Exchange Commission.

The Company incurred losses from operations of $240,729 for the three-month period ended September 30, 2015, compared to $243,788 for the same period in 2014. On a per share basis, for the nine-month period ended September 30, 2015, the Company's losses from continuing operations were ($0.02), compared to ($0.03) from the previous period nine-month period ended September 30, 2014.

The reported net loss for the current reporting quarter was $343,488, or ($0.02) per share, compared with a loss of $455,833, or three cents ($0.03) per share, for the same three-month period in 2014.

During the three-month and nine-month periods under review investment income remained nominal due to the continuing low market interest rate environment for Canadian government and chartered bank securities.

Share Capital Analysis

As at the date of this MD&A, the share capital of the Company continued to be comprised exclusively of common shares. The number of issued and outstanding common shares of the Company were 14,430,827 as of December 31, 2014. As of September 30, 2015, the numbers of issued and outstanding shares is 14,480,827. There are minimal dilutive securities outstanding or committed for issue, namely, only 750,000 stock options issued requiring the future issuance of new share capital by the Company.

Accounting Policies

The Company has accepted and employs the now mandated IFRS accounting policy on reporting its financial condition in accordance with IFRS standards, with all amounts stated in US dollars. The ongoing significant accounting policies are more particularly described herein and in those provided with the restated audited financial statements for the year ended December 31, 2014.

The Company previously presented financial statements in Canadian dollar currency. However, with the addition of the wholly-owned subsidiaries and more than 95% of all activity in US dollar transactions, the Company adopted the US dollar for presentation currency effective January 1, 2015, with all previous comparative data translated under IAS 21 and presented accordingly.

Segmented Disclosures

		Property Interlink, LLC		Corporate		Total
Current assets	$	342,056	$	1,407,422	$	1,749,478
Notes recievable		965,000		-		965,000
Property and equipment		367,515		-		367,515
Intangible assets		780,919		-		780,919
Goodwill		573,999		-		573,999
Total Assets	$	3,029,489	$	1,407,422	$	4,436,911
Current liabilities	$	394,537	$	5,476	$	400,013
Long-term liabilities		370,863				370,863
Total liabilities	$	765,400	$	5,476	$	770,876
Revenues	$	4,493,494	$	966	$	4,494,460
Expenses	$	4,340,225	$	497,723	$	4,837,948
Net loss	$	153,269	$	(496,757)	$	(343,488)

Use of Financial Instruments

The Company has not entered into any conventional or other financial instruments designed to minimize its investment risk, currency risk or commodity risk. No off-balance sheet arrangements have been established nor are there any pending plans to do so. The limited scale of the Company's current and foreseeable operations does not warrant consideration of any special financial undertakings or instruments.

Transactions with Related Parties

The Company paid $188,838 during the period for routine, intermittent payments of administrative fees for essential corporate services to the Chief Operations Officer, Chief Financial Officer and the Senior Vice President.

No director or corporate officer is currently indebted to the Company nor have they been indebted to the Company during 2014, or during the 2015 fiscal year to date.

The Company has no pension plan for directors, corporate officers or employees.

Additionally, for the period ended September 30, 2015, Amcap Mortgage Ltd., a customer related by common management, the Chief Executive Officer, accounted for $3,581,942 in revenue to the Company (Property Interlink, LLC). This amount is substantially higher during the nine months ended September 30, 2015 compared to the seven months from date of acquisition of Property Interlink to December 31, 2014 ($591,060 CDN). This is due to the fact that several divisions that were once billed direct are now affiliated with Amcap Mortgage Ltd. and therefore, are now included in the related party amounts as required.

Divestitures

Starrex International Ltd. reached an agreement to divest Olympia Capital Management, Inc., a consulting and software solutions corporation along with One Force Staffing, Inc., its staffing and recruitment agency, effective May 1, 2015. This decision was made to allow Starrex to adapt to its current evolving business environment and focus on the core business of real estate and mortgage-based entities. These divestitures will positively and immediately impact capital resources as the Company continues discussions with potential acquisition targets to further expand the footprint of appraisal management and other real estate based companies, which is expected in the fourth quarter of 2015, or the first quarter in 2016.

Capital Disclosures

The Company's objectives when managing capital are to maintain its ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to ensure sufficient resources are available to meet day-to-day operating expenses.

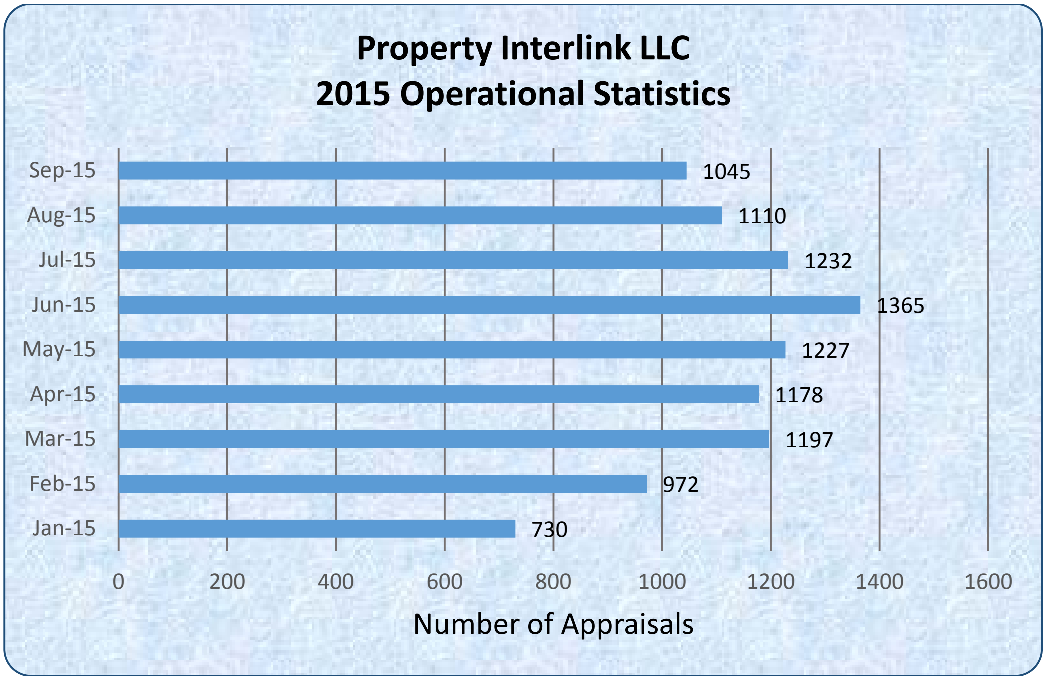
The Company considers the items included in shareholders' equity as capital. The Company manages its capital structure and will make adjustments to it, if and when necessary, in order to have funds available to support its corporate activities.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the modest current business and financial size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements and there has been no change in the overall capital risk management strategy during the year.

RESULTS OF OPERATIONS

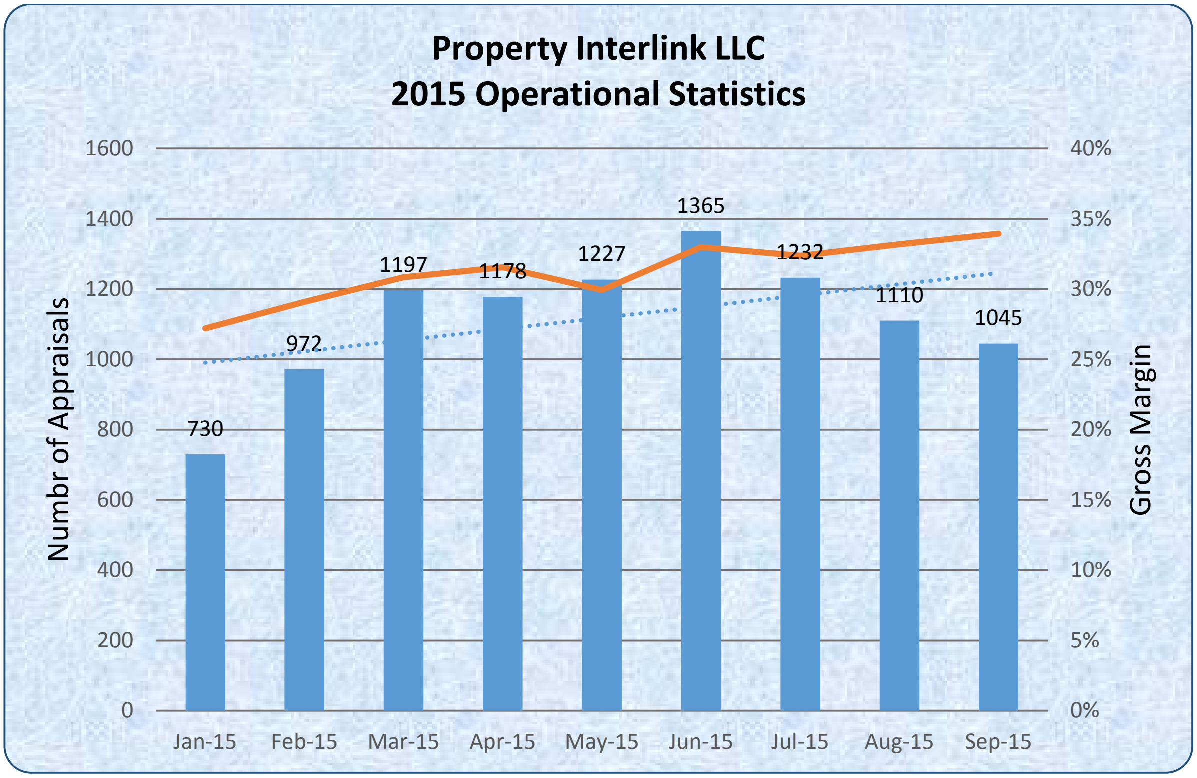
Gross income was $1,504,880 a seasonal increase of $9,774 for gross income in Q2 of $1,495,106. Ongoing Property Interlink income may be subject to expected cyclical industry downturns from in the fourth quarter, which correlates to the mortgage industry. The following table provides a breakdown of appraisal operational statistics. As the mortgage and appraisal industry enters the months where housing starts are low, ie. September through January, the number of mortgage originations and appraisals completed have been historically lower than other months and is expected to follow the same pattern for 2015 and 2016.



Revenue

Often, the appraisal industry is impacted heavily by natural disasters, such as flooding, which require a higher volume of property inspection estimates rather than full appraisals, which generate less revenue. These fluctuations directly impact gross margins as seen in the illustration above. Other than the nominal amount of investment income, the only two channels of revenue generated are those from appraisal delivery and property inspection delivery.

The following chart illustrates the gross margins across the nine months ended September 30, 2015. This set of data includes appraisals and property inspections. On average, Property Interlink's gross margin is 31%.



On September 22, 2015, Property Interlink entered into an agreement with Cross Country Mortgage to provide their mortgage appraisals. Currently, Cross Country Mortgage generates approximately 800 mortgages per month. Property Interlink expects to begin receiving orders in January of 2016 after a significant software conversion to support the increase.

Outlook: Revenue

Note: See "CAUTION CONCERNING FORWARD-LOOKING INFORMATION", page 1.

Total operating revenue for the fourth quarter is expected to be lower than the three months ended September 30, 2015 due to industry fluctuations with a slight increase in the first quarter of 2016.

	Three months ended September 30, 2015	Three months ended December 31, 2015	Three months ended March 31, 2016
Gross Revenue	$ 1,504,463	$ 1,475,566	$ 1,586,647

Operating Expenses

Salaries and benefits increase and decrease proportionately with the volume of appraisals and property inspections completed. More than 75% of staff situated in Property Interlink are Staff Appraisers and are paid a set amount per appraisal or property inspection completed with the balance of the appraisal staff paid as independent contractors. The Company currently employs enough administrative staff to adequately support an additional 500 appraisals and/or property inspections per month, which is needed in order to on-board new acquisitions and large contractual agreements.

Outlook: Operating and Other Expenses

The Company anticipates a higher than budgeted expense for software and computer expenses during the fourth quarter. This is due to the required appraisal management software needed to support the expected increase in appraisal orders and will allow full integration of our appraisal business with the many mortgage originations software platforms in the industry.

As stated earlier, the Company has incurred higher than normal legal expenses associated with the registration statement. Currently, $172,223 has been incurred as of September 30, 2015. We expect to incur an additional $100,000 in legal fees, along with approximately $25,000 in actuarial expense associated with the registration statement.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2015, current assets aggregated $1,749,478, a decrease of $439,266 from $2,188,744 reported at the prior year-end. Current liabilities for the current reporting period were $400,013 compared with $571,304 at the prior year end. The aggregates comprised accounts payable and accrued liabilities in the normal course of business, reflective of the Company's appraisal business.

FINANCIAL RISK FACTORS

The Company is exposed in varying degrees, though considered modest for the size of the Company, to a variety of financial instrument related risk; as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash and cash equivalents. This risk is managed through the use of a major chartered bank which is a high credit quality financial institution as determined by rating agencies. As at September 30, 2015, (December 31, 2014 – $Nil), no allowance for doubtful accounts was recorded.

Collection of Accounts Receivable

We have strong credit policies and a vendor management program in place. Our general payment terms are "due upon receipt." However, we may be required to impair our balances for accounts receivable based upon quarterly analyses for collectability.

Regulation

We are subject to licensing requirements in all of the states in which we operate. The appraisal management business operated by Property Interlink is currently licensed and operating in twelve states: Colorado, Illinois, Louisiana, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, Texas, South Dakota, Utah and Wyoming. Of these states, Colorado, Illinois, Nebraska, New Mexico, North Dakota, South Dakota, Utah and Wyoming require surety bonds in the amount of $25,000, and Louisiana requires a surety bond of $20,000. We may become subject to additional registration or licensing requirement if we expand our businesses to additional services or to provide our services in additional states. We are in compliance with all licensing and bonding requirements in the states in which we operate.

We cannot predict the impact of new or changed laws, regulations or licensing requirements, or changes in the ways that such laws, regulations or licensing requirements are enforced, interpreted or administered. Financial and mortgage servicing laws and regulations are complex, are subject to change and have become more stringent over time. It is possible that greater than anticipated regulatory compliance expenditures will be required in the future. We expect that continued government and public emphasis on regulatory compliance issues will result in increased future costs of our operations.

The Company mitigates this risk by with compliance monitoring and quarterly reviews of appraisal activity by state.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. As at September 30, 2015, the Company had cash and cash equivalents of $487,299 (December 31, 2014 - $1,393,987) available to settle current financial liabilities of $400,013 (December 31, 2014 - $571,304).

Market Risk

The only significant market risk exposure to which the Company is currently exposed is interest rate risk. The Company's exposure to interest rate risk relates to its ability to earn interest income on otherwise inactive cash balances at variable rates. The fair value of the Company's cash and cash equivalents are relatively unaffected by normal changes in short-term interest rates.

Acquisition Activities

Identifying, executing and realizing attractive returns on business combinations is highly competitive and involves a high degree of uncertainty. From time to time, the Company evaluates opportunities to acquire additional complementary businesses. Any resulting acquisitions may be significant in size, may change the scale of the Company's business, and may expose the Company to new geographic, political, operating, financial and other risks. Success in the Company's acquisition activities depends on the Company's ability to identify suitable acquisition candidates, acquire them on acceptable terms, and integrate their operations successfully. The difficulty of assimilating the operations and personnel of any acquired companies, the potential disruption of the Company's ongoing business, the inability of management to maximize the financial and the Company's strategic position through the successful integration of acquired assets and businesses, the maintenance of uniform standards, controls, procedures and policies, the impairment of relationships with customers and contractors as a result of any integration of new management personnel and the potential unknown liabilities associated with acquired businesses.

The Company may be affected by numerous risks inherent in the business operations which the Company acquires. For example, if the Company combines with a financially unstable business or an entity lacking an established record of sales or earnings, the Company may be affected by the risks inherent in the business and operations of a financially unstable or an undercapitalized entity. Although the Company's executive officers and directors will endeavor to evaluate the risks inherent in a particular target business, the Company cannot assure you that the Company will properly ascertain or assess all of the significant risk factors or that the Company will have adequate time to complete due diligence. Furthermore, some of these risks may be outside of the Company's control and leave the Company with no ability to control or reduce the chances that those risks will adversely impact a target business.

In addition, the Company may need additional capital to finance an acquisition. Historically, the Company has raised funds through equity financing. However, the market prices for financial services are highly speculative and volatile. Accordingly, instability in prices may affect interest in such businesses and the development of such businesses that may adversely affect the Company's ability to raise capital to acquire complementary businesses. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Because the Company has not selected any specific additional target businesses, investors will be unable to ascertain the merits or risks of any particular target business' operations.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's Chief Executive Officer and Chief Financial Officer (the "**Disclosure Committee**") are responsible for establishing and maintaining the Company's disclosure controls and procedures, including adherence to the Disclosure Policy adopted by the Company. The Disclosure Policy requires all staff employees to keep the Disclosure Committee fully apprised of all material information affecting the Company so that the Disclosure Committee may discuss and evaluate such information and determine the appropriateness and timing for public release, if so decided. Access to such material information by the Disclosure Committee is facilitated by the modest size of the Company's senior management group and the regular communications engaged in between them.

The Disclosure Committee, after evaluating the effectiveness of the Company's disclosure controls and procedures as of the end of the December 31, 2014 annual auditing period, has concluded that the Company's disclosure controls and procedures were adequate and effective to ensure that material information relating to the Company would have become known to them.

The Company's Disclosure Committee is also responsible for the design of internal controls over financial reporting. The fundamental issue has been determined as ensuring that all transactions are properly authorized and identified and entered into a well-designed and clearly understood system on a timely basis to minimize risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with generally accepted accounting principles, unauthorized receipts and expenditures, or the inability to provide assurance that unauthorized acquisition or dispositions of assets can be detected.

The relatively small size of the Company makes the described identification and authorization process reasonably efficient and is considered an effective process for reviewing internal controls over financial reporting. To the extent possible, given the Company's modest business operations, and utilizing professional outsourcing for part or most of the process, the internal control procedures provide for the clear separation of duties for receiving, approving, coding and handling of invoices, entering transactions into the accounts, writing cheques and completing and recording wire requests. As of September 30, 2015, the Company's Disclosure Committee has concluded that the Company's system of internal controls is adequate and reasonably comparable to those of issuers of a similar size and business nature.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the financial reporting date and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The restated unaudited interim consolidated financial statements at September 30, 2015, include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the unaudited interim consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and also in future periods when the revision affects both current and future periods.

Outlook

The Company will evaluate, for the purpose of closing acquisitions in the financial sector compatible with the existing business of Starrex International Ltd. both in the United States and Canada, diverse equity and investment offering proposals. In-house reviews of all proposed business combinations concentrate on the record of integrity and industry experience of the target company's principals and senior management -- including hard evidence establishing their longer term personal and financial commitments to any future merged entity.

Approval

This Management Discussion and Analysis was approved by the Board of Directors and is effective as of April 8, 2016.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.

On Behalf of the Board:
Per: Dr. Debbie Ramirez, CFO
Restated April8, 2016