CBD MED RESEARCH CORP.

(formerly Exchequer Resource Corp.)

Management's Discussion and Analysis of Financial Condition and Results of Operations for the nine months ended September 30, 2015

General

The following discussion and analysis should be read in conjunction with the unaudited financial statements for the nine months ended September 30, 2015 and the audited financial statements and notes for fiscal years ended December 31, 2014 and 2013. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional information relating to the Company can be found on the SEDAR website at www.sedar.com.

The Management Discussion and Analysis was approved by the Board of Directors of the Company on November 10, 2015.

The head office and principal address of the Company is located at #810 – 675 West Hastings Street, Vancouver, BC, V6B 1N2.

These condensed interim financial statements are unaudited and have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the International Reporting Interpretations Committee (IFRIC). They do not include all of the information required for full annual financial statements.

The preparation of condensed interim financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting except cash flow information.

All amounts are in Canadian dollars unless otherwise stated.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "progressing", "anticipate", believe", "forecast", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown risks, uncertainties and other factors, many of which are beyond the Company's ability to predict or control could cause actual results to differ materially from those contained in the forward-looking statements. which include, without limitation, commodity price volatility, changes in debt and equity markets, increases in costs, interest rate and exchange rate fluctuations, general economic conditions, the ability of the Company to receive continued financial support from related parties and to obtain public equity financing, the ability to generate profitable operations in the future, and the receipt of regulatory approvals on acceptable terms. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements.

Overview

The Company was in the development stage relating to exploration and development of petroleum, natural gas and mineral properties and had not generated any revenues from its planned operations. The deficit has been accumulated during these development stages. On October 24, 2002, the Company continued from Alberta to British Columbia. During the year and on September 18, 2009 the Company was granted the exclusive right to negotiate for the acquisition of a business which is in the process of completing a new environment for broadcasting digital video content over the internet using Internet Protocol. The exclusive right takes effect following a due diligence period of up to six months, and consequently during the fiscal year ended December 31, 2009 the Company expanded its scope of operations to the research and development of technologies related to broadcasting digital video content over the internet using Internet Protocol. On December 31, 2010, management terminated any and all agreements and/or contract with regard to this project. On June 25, 2014 the Company received shareholder approval for the consolidation of its shares on the basis of 1 new share for each 10 old shares. On July 18, 2014 the Company's shares commenced trading on a 1:10 basis on the TSX Venture Exchange under the name of CBD Med Research Corp. The total issued and outstanding share capital post-consolidation was 2,801,665 common shares. The Company is currently looking for new projects.

On April 29, 2015 the Company announced the formation and newly appointed members of the corporate advisory board (Life and Medical Technology Advisory Board). See "Corporate Data Sheet".

In June 2015 the Company entered and subsequently signed a Letter of Intent with a medical device company, Medipacs Inc, based in San Diego, California. Medipacs has developed novel technology configured into a small (hand-size) infusion pump that can be easily attached to animals and humans to deliver precise pain medication of both standard and large molecule liquids.

Letter of Intent – Medipacs Inc.

The Company will acquire the exclusive sales and distribution rights to the Medipacs, Mini-Infuser CRI pump for:

A. Veterinary and animal health care applications

B. The Company will acquire the Canadian exclusive sales and distribution rights to the Mini-Infuser PRN pump in development for Human pain relief applications.

1. The Company shall be responsible to market the device in Canada by way of distribution agreements and direct sales.
2. The Company to represent Medipacs on an exclusive basis for the Middle East countries to develop business fits, license agreements and product distribution. (The Company and Medipacs to share and negotiate industry compensation agreements based on success)

The Company will issue to Medipacs up to 19% of its common shares on closing (estimated 2,700,000 common shares). The Company to have the right to invest up to $500,000 (USD) within a preferred note and or equity of Medipacs.

The first $100,000 of note equity investment as a firm commitment is as follows:

1. $10,000 (USD) - on signing (paid $13,095 Cdn)
2. $15,000 (USD) - on signing of the definitive agreement
3. $75,000 (USD) - on receipt of stock exchange acceptance, 100K total.

Post closing and for up to 120 days, the Company shall have the rights to invest up to an additional $400,000 USD

The Company and Medipacs shall agree on a mutually agreeable unit transfer price and profit split of the Veterinary and Human infusion pump sales in Canada

Within 6 months, the Company will finance and manage a minimum of one:

a. Pre-market trial research study at prominent veterinary institutions, for the Vet mini-infusion device on closing. Expenditure cap of $50,000.00 CDN.

b. Within 12 months, the Company will finance and manage a minimum of one pre-market clinical trial test for human pain applications at a high profile medical institution, expenditure cap of $50,000.00 CDN

Going Concern

The Company draws attention to matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These financial statements have been prepared using accounting principles applicable to a going concern which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The ability of the Company to carry out its business objectives dependent on the Company's ability to receive continued financial support from related parties and to obtain public equity financing and to identify, evaluate and negotiate an acquisition of, a participation in, or an investment of an interest and to generate profitable operations in the future. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. In order to continue as a going concern and meet its corporate objectives, the Company will require additional financing through debt or equity issuances or other available means. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These financial statements do not reflect the adjustments to the carrying value of assets and liabilities, or the impact on the statement of operations and comprehensive loss and financial position classifications that would be necessary were the going concern assumption not appropriate.

	September 30 2015	December 31 2014
Deficit	$ (9,278,378)	$ (9,124,311)
Working capital (deficiency)	$ (194,458)	$ (106,321)

Selected Annual Information

	2014	2013	2012
	$	$	$
Sales or Revenue	-	-	-
Net Loss	128,465	144,142	100,353
Loss per share	0.05	0.05	0.00
Total Assets	65,733	6,380	68,379

Loans payable

During the year fiscal year ended December 31, 2014 the Company received an aggregate total of $150,000 as short term loans payable, bearing interest at 20% per annum and due on demand. These loans were converted into convertible loans on February 5, 2015, where the convertible loans are due by February 4, 2016. The holders of the convertible loans can convert into shares on or before February 4, 2016 at a price of $0.05 per share. Any shares issued on conversion before June 6, 2015 will be restricted from trading until June 6, 2015. During the nine months ended September 30, 2015 the Company recorded interest in the amount of $22,438 (2014: $9,719). As at September 30, 2015 $39,719 (December 31, 2014, $17,280) of interest has been cumulatively accrued with respect to these loans.

Results of Operations

During the nine months ended September 30, 2015, the Company had net loss of $154,067 or $(0.03) per share compared with a loss of $96,871 or $(0.02) per share for the nine months ended September 30, 2014.

Administrative services relate to office and secretarial services provided to the Company. During the nine months ended September 30, 2015 the Company paid in aggregate $23,000 to members of the Company's advisory board and $3,000 to consultants. The Company acquired a computer during the nine months ended September 30, 2015 and set up a provision for amortization during the period. Filing and transfer fees relate to submissions to the regulatory authorities and to the maintenance of the share records by the Company's transfer agent. During the nine months ended September 30, 2015 $22,438 (2014: $9,719) was accrued with respect to loans payable. During the nine months ended September 30, 2014 additional interest charges in the amount of $3,362 were accrued with respect to outstanding legal fees. Management fees are paid or accrued to the Company's Chief Executive Officer for management services provided to the Company. Office and miscellaneous expenses were incurred for maintenance of the Company's office. Professional fees are incurred for general maintenance of the Company's records and for filings with regulatory authorities. Included within professional fees are legal fees in the amount of $14,046 (2014: $12,700), audit fees of $12,240 (2014: $13,214) and fees paid or accrued to the Company's Chief Financial Officer in the amount of $12,500 (2014:$12,000).Travel and promotion expenses were incurred with respect to the Company's search for new business projects and financings.

Operating Expenses

	Three months ended September 30		Six months ended September 30	
	2015	2014	2015	2014
		$		$
General and Administrative Expenses				
Administration	2,250	1,500	6,750	7,500
Advisory board fees	-	-	23,000	-
Amortization	211	-	632	-
Consulting	-	-	3,000	-
Filing and transfer agent fees	1,787	7,012	8,688	16,742
Interest	7,561	7,569	22,438	13,381
Management	9,000	9,000	27,000	18,000
Office and miscellaneous	356	2,033	3,003	2,263
Professional fees	10,466	8,456	38,786	37,914
Travel and promotion	1,388	4,568	20,770	7,071
Net loss and comprehensive loss for the period	(33,020)	(40,138)	(154,067)	(96,871)

Fiscal Quarter Ended September 30, 2015

During the fiscal year ended December 31, 2014 the Company issued an aggregate total of $150,000 of loan payable, bearing interest at the rate of 20% per annum. The Company recorded $7,561 (2014: $7,569) of accrued interest with respect to these loans during the fiscal quarter ended September 30, 2015. Administration fees were incurred in the amount of $750 per month. During the fiscal year ended December 31, 2014 the Company entered into a services contract with the current CEO to provide management services, commencing April 1, 2014, and incurred 3 months of management fees in the amount of $3,000 per month. Travel and promotion expenditures were incurred with respect to the search for new projects and meetings regarding financings. Professional fees included amounts paid or accrued legal and audit fees of $5,966 (2014: $3,956) and fees paid or accrued to the Company's Chief Financial Officer in the amount of $4,500 (2014: $4,500). Filing fees were $200 (2014: $1,979) and transfer agent fees were $1,787 (2014: $5,033)

The following table sets out selected quarterly information for the eight most recent quarters ended September 30, 2015:

Quarters ended in 2015 fiscal year	December 31 $	September 30 $	June 30 $	March 31 $
Sales or Revenue		-	-	-
Income (loss)		(33,020)	(49,642)	(71,405)
Income (loss) per common share		(0.01)	(0.01)	(0.01)
Quarters ended in 2014 fiscal year	**December 31 $**	**September 30 $**	**June 30 $**	**March 31 $**
Sales or Revenue	-	-	-	-
Income (loss)	(31,594)	(40,138)	(52,192)	(4,541)
Income (loss) per common share	(0.00)	(0.01)	(0.02)	(0.00)
Quarters ended in 2013 fiscal year	**December 31 $**			
Sales or Revenue	-			
Income (loss)	(31,594)			
Income (loss) per common share	(0.01)			

During the first quarter ended March 31, 2014, the Company did not record any management fees. Communing April 1, 2014 the Company accrued management fees in the amount of $3,000 per month. During the first quarter the Company recorded interest related to legal fees in the amount of $3,662. Commencing in the second quarter of 2014 the Company accrued interest expense related to loan payable in the amount of $2,150. Professional fees incurred in the amount of $29,458 (2013: $23,255) in the second fiscal quarter of 2014 included a $15,000 (2013: $13,000) provision for the annual audit and accounting fees.

CRITICAL ACCOUNTING POLICIES AND USE OF ESTIMATES

Statement of Compliance

These condensed interim financial statements are unaudited and have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the International Reporting Interpretations Committee (IFRIC). They do not include all of the information required for full annual financial statements.

The preparation of condensed interim financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

The financial statements were approved by the Board of Directors of the Company on November 10, 2015.

Basis of Presentation

These condensed interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these interim financial statements have been prepared using the accrual basis of accounting except cash flow information.

Cash and Cash Equivalents

Cash equivalents include money market instruments that are readily convertible to cash and have maturities at the date of purchase of less than ninety days. There were no cash equivalents as at September 30, 2015 and December 31, 2014.

Property and equipment

Property and equipment are recorded at cost less accumulated depreciation and impairment losses. Equipment is depreciated to write off the cost of assets to operations using declining balance method over their estimated useful life at the following annual rates:

Computer Equipment - 55%

Impairment of Non-financial Assets

The Company reviews and evaluates its property, including exploration and evaluation assets, property and equipment for indications of impairment when events or changes in circumstances indicate that the related carrying amount may not be recoverable or at least at the end of each reporting period. The asset's recoverable amount is estimated if an indication of impairment exists.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. Future cash flows are estimated based on expected future production, commodity prices, operating costs and capital costs.

The recoverable amount is the greater of the asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset.

Impairment losses reducing the carrying value to the recoverable amount are recognized in profit and loss.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

Significant Accounting Judgments and Estimates

When preparing the financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Share-based payments

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the probable life of share options and warrants granted and the time of exercise of those share options and warrants. The model used by the Company is the Black-Scholes option pricing model.

Deferred tax liabilities and assets

Deferred tax liabilities and assets are measured at tax rates expected in the period during which the asset is realized or the liability is settled, based on tax rates (and tax laws) that are enacted or substantively enacted at the end of the reporting period of the financial information. The measurement of liabilities and deferred tax assets reflects the tax consequences that result from the manner in which the Company expects, at the end of the reporting period of the financial information, to recover or settle the carrying amount of its assets and liabilities.

Measurement of financial instruments at fair value
The Company measures certain of its financial instruments at fair value. The determination of such fair value is based on the most readily available market data. When no readily available data is available, management is required to estimate the fair value of the instrument using various inputs that are either, directly or indirectly observable, or not based on observable market data.

Significant areas of critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the statements of financial position are:

Going concern
Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its financial statements for the nine months ended September 30, 2015 and fiscal years ended December 31, 2015 and 2014. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing. As a result of the assessment, management concluded there are significant doubt as to the ability of the Company to meet its obligations as they fall due and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

New Accounting Standards and Interpretations adopted as of January 1, 2015

IAS 16 Property, plant and equipment and IAS 38 Intangible assets
The amendments to IAS 16 and IAS 38, issued in December 2013, clarify how an entity calculates the gross carrying amount and accumulated depreciation when a revaluation is performed. The adoption of this amendment does not have a material impact on the Company's financial statements.

IAS 24 Related party disclosures
The amendments to IAS 24, issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The adoption of this amendment does not have a material impact on the Company's financial statements.

Off-Balance Sheet Arrangements

The Company has not entered into any off balance sheet arrangements, other than previously disclosed, that has, or is reasonably likely to have, an impact on the current or future results of operations or the financial condition of our company.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, marketable securities, and accounts payable and accrued liabilities. Cash and cash equivalents and marketable securities are classified as fair value through profit or loss and recorded at fair value. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. The fair value of cash and cash equivalents, marketable securities, and accounts payable and accrued liabilities are equal to their carrying value due to their short-term maturity.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk and commodity price risk.

Credit risk
Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2015, the Company had a cash and cash equivalents balance of $20,127 (December 31, 2014 - $57,350) to settle current liabilities of $217,369 (December 31, 2014 - $172,054). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The interest rate risk on bank deposits is insignificant as the deposits are short term. The Company is not exposed to interest rate risk in respect of its loan payable which is subject to a fixed rate of interest.

(b) Foreign currency risk

As at September 30, 2015, the Company's expenditures are in Canadian dollars, any future equity raised is expected to be predominantly in Canadian dollars. The Company believes it has no significant foreign exchange rate risk.

The Company does not hold balances in foreign currencies which would give rise to exposure to foreign exchange risk.

Fair value hierarchy
The Company applied the following fair value hierarchy which prioritizes the inputs used in the valuation methodologies in measuring fair value into three levels:

The three levels are defined as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As at September 30, 2015 and December 31, 2014, cash and cash equivalents are assessed to be Level 1 instruments.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its resource properties and to maintain flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash and cash equivalents.

The Company manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. As at September 30, 2015 and December 31, 2014, the Company has obtained $150,000 through debt financing and has received share subscriptions totalling $27,000 (December 31, 2014 - $68,200). Subsequent to September 30, 2015 an additional $30,00 of share subscriptions were received in advance.

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects.

Outstanding Share Data

a. Authorized:

Unlimited number of common shares with no par value.

b. Issued and outstanding:

As at September 30, 2015 the toal number of shares issued and outstanding is 4,868,331.

During the fiscal year ended December 31, 2014 there are no share transactions. On June 25, 2014 the Company received shareholder approval for the consolidation of its shares on the basis of 1 new share for each 10 old shares. On July 18, 2014 the Company's shares commenced trading on a 1:10 basis on the TSX Venture Exchange under the name of CBD Med Research Corp. The total issued and outstanding share capital post-consolidation was 2,801,665 common shares.

During the nine months ended September 30, 2015 the Company completed the partial closing of $124,000 of a private placement and issued 2,066,666 units, with each unit being comprised of one common share and one share purchase warrants, at a price of $0.06 per unit. Each warrant is exercisable on or before February 3, 2016 at a price of $0.08 per share. The shares and any warrants that may be exercised are restricted from trading until June 5, 2015. $68,200 of the funds raised had been received pursuant to share subscriptions received in advance as of December 31, 2014.

As of September 30, 2015 an additional $27,000 of funds was received pursuant to share subscriptions received in advance of a second tranche of the private placement.

See "Subsequent Events".

Warrants:

As at December 31, 2014 and 2013, there were no warrants issued and outstanding.

2,066,666 share purchase warrants, exercisable on or before February 3, 2016 at a price of $0.08 per share, were issued during the nine months ended September 30, 2015.

Also see "Subsequent events".

Stock options:

The Company has a stock option plan whereby it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company.

As at September 30, 2015 and December 31, 2014 there were no stock options granted nor outstanding.

Related Party Transactions

During the nine months ended September 30, 2015, the Company entered into the following transactions with related parties:

a) Paid or accrued management fees of $27,000 (2014: $18,000) to a Director and the current Chief Executive Officer of the Company. Included within accounts payables as at September 30, 2015 was $15,873 (December 31, 2014: $3,614) owed to the current CEO for management fees, related sales taxes and other expenditures incurred on behalf of the Company.

b) During the nine months ended September 30, 2015, the Company paid or accrued $6,750 (2014:$1,500) administrative service fee to the CEO's spouse.

c) Duriang the nine months ended September 30, 2015 the Company paid or accrued professional fees of $12,500 (2014: $12,000) to the Company's Chief Financial Officer for providing accounting services. Included within accounts payables was $3,675 (December 31, 2014: $Nil) owed to the CFO for professional fees and related sales taxes incurred on behalf of the Company.

d) During the nine months ended September 30, 2015 the Company accrued interest expense in the amount of $11,593 (2014: $5,188) payable to directors and officers. Included in loans payable is $20,688 (December 31, 2014: $9,095) of interest accrued with respect to an aggregate total of $77,500 of convertible loans payable to directors and officers. See "Loans Payable".

On February 25, 2014, the former CEO signed a release, whereby he release, remise and forever discharged the amount of $29,448 to him, in consideration of $1 paid by the Company.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related party.

Commitments

On April 1, 2014, the Company entered into a contract for service agreement with an officer and director of the Company to provide management services for $3,000 per month for a term of 24 months.

Liquidity and Capital Resources

The Company has financed its operations primarily from proceeds from the sale of shares and debt.

As at September 30, 2015 the Company had working capital deficiency of $(194,458) compared to working capital deficiency of $(106,321) as at December 31, 2014.

Cash provided by issuance of new common shares during the nine months ended September 30, 2015 was $124,000 ($68,200 of which had been received as of December 31, 2014, and commissions deducted there from of $1,340). Cash provided by issuance of new common shares during the fiscal years ended December 31, 2014 and 2013 it was $Nil. An additional $27,000 has been received during the nine months ended September 30, 2015 and an additional $30,000 subsequent thereto as share subscriptions in advance pursuant to a second tranche of the financing. See "Subsequent Events". The Company raised $150,000 pursuant to the issuance of loans payable during the fiscal year ended December 31, 2014. See "Loans Payable".

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the TSX Venture markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. The Company plans to issue more securities at such time as it believes additional capital could be obtained on favourable terms. There can be no assurance that such funds can be available on favourable terms, if at all.

Subsequent Events

The Company has announced a financing of up to $500,000 by way of a private placement. The first tranche of $124,000 was completed in the nine months ended September 30, 2015. The Company will issue up to a further 6,266,667 units at a price of $0.06 per unit. Each unit is comprised of one share and one share purchase warrant that entitles the holder to acquire one additional common share at a price of $0.08 per share within one year. As at September 30, 2015, $27,000 of funds have been received pursuant to share subscriptions received in advance.

Subsequent to September 30, 2015 an additional $30,000 of share subscriptions were received in advance.

Risks and Uncertainties

The Company has limited financial resources and there is no assurance that additional funding will be available to it for further development of its projects or to fulfil its obligations under applicable agreement. 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 favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of the Company's intended business operations with the possible dilution or loss of such interest. Further, revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of intended business operations. There is no assurance that the Company can operate profitably or that it will successfully implement its plans.

The Company is in development stage and has no operating earnings. The likelihood of success of the Company must be considered in light of the problems, expenses and difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company operates at a loss and there is no assurance that the Company will ever be profitable.

CBD MED RESEARCH CORP.

(formerly Exchequer Resource Corp.)

CORPORATE DATA

November 10, 2015

HEAD OFFICE

CBD MED RESEARCH CORP.
#810 – 675 W. Hastings Street,
Vancouver, BC, V6B 1N2.
Tel: 604.802.7551
Email: gzak1@shaw.ca

SOLICITOR

Joanne McClusky
McClusky & Dalling
Barristers & Solicitors
#810- 675 W. Hastings Street
Vancouver, BC V6B 1N2
Email: jmcclusky@shaw.ca
Tel: 604. 689.4010
Fax: 604. 684.2349

REGISTRAR & TRANSFER AGENT

Computershare Inc.
510 Burrard Street
Vancouver , BC
V6C 3B9
Tel: 604-661-9440

AUDITORS

MNP LLP
2200 – 1021West Hastings Street
Vancouver, BC V6E 0C3
Tel: 604.685.8408
Fax: 604.685.8594
Email: jenny.lee@mnp.ca

DIRECTORS AND OFFICERS

Gary F Zak	Director, CEO
Kenneth C. Phillippe	Director, CFO, Secretary
H. Barry Hemsworth	Director
Dr. K. Sethu Raman, PH.D.	Director

INVESTOR CONTACTS

Gary F Zak
Tel: 604.802.7551
Email: gzak1@shaw.ca

Life Science and Medical Technology Advisory Board

Bill Cheliak, Ph.D
Roman V. Dvorak, M.D., Ph.D
Charles P. Garrison, M.D.
Gianni F. Maddalozzo, Ph.D, FACSM
Brian T. Wagner
John McCluskey

CAPITALIZATION

Authorized:	Unlimited number of common shares, no par value
Issued:	4,868,331
Options:	Nil
Warrants:	2,066,666

LISTINGS

TSX Venture Exchange
Trading Symbol: CMB.H
CUSIP #: 30149V