Immunall Science Inc.
(the “Company”, or “Immunall”)
Amended and Restated Management Discussion and Analysis
For the Year ended
December 31, 2014

The Amended and Restated Management Discussion and Analysis (MD&A) of the Company’s financial statements for the year ended December 31, 2014 is intended to help the reader to understand the Company’s business performance and its relationship to the Immunall plan for growth. All amounts are expressed in Canadian dollars. The information contained in the MD&A reflects all material events occurring up to December 23, 2015 on which date it was approved by the Board of Directors.

The MD&A should be read in conjunction with the audited financial statements and notes for the year ended December 31, 2014. These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC). These accounting principles require us to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosure of contingent assets and liabilities. The MD&A may contain management estimates of future trends and results. These estimates are not a guarantee of future performance since actual results may vary based on situations and factors that are not within management’s control. Management believes that the estimates and assumptions upon which it relies are reasonable based on information available at the time that these estimates and assumptions have been made. Actual results may differ under different assumptions and conditions.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to make certain that all information disclosed externally is reliable.

The Board of Directors of the Company is committed to following the recommended corporate governance guidelines for public companies to ensure transparency and accountability to its shareholders. The Board's audit committee has complete access to review the Company's financial statements, and to discuss and review any and all matters concerning finance, operations, internal control matters and the MD&A. The Audit Committee is free to meet with the Company's independent auditors at any time.

Forward Looking Statements

Management's discussion and analysis contain certain forward-looking statements that are subject to risks and uncertainties that may cause actual results or events to differ materially from the results or events predicted in this discussion. In addition to the risk outlined in the Risk Management section at the end of the discussion, factors which could cause actual results or events to differ include, but are not limited to: the impact of competition; the possible impact of Bill C51 pertaining to increased regulation of natural products, consumer confidence and spending levels; general economic conditions; the cost and availability of capital and product development. No assurance can be given that the results, performance or achievement expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

Schedules to the MD&A

Immunall's Form 52-110F2, "Audit Committee Disclosure", and Form 58-101F2, "Corporate Governance Disclosure", are appended to the MD&A as Schedules "A" and "B" respectively.

Results of Operations

Revenue

The Company generated $nil revenue for the years ended December

31, 2014 and 2013.

Operating Expenses

Operating expenses, consisting primarily of professional fees and listing expenses, for the year were $30,156 (2013 - $34,105). The Company has no paid employees.

Net Loss

The Company failed to generate any sales revenue in each of the fiscal years ending December 31, 2014 and 2013. At the end of the 2014 fiscal year, the Company discontinued its operations and wrote down its inventory and equipment to nil value. This action resulted in a loss of $75,223.

Liquidity and Capital Resources

December 31, 2014 and December 31, 2013

Cash on hand $1,699 (2013 - $5,849)
Working capital deficiency $80,181 (2013 – $5,526)
Total Assets $3,503 (2013 - $52,805)
Total Liabilities $83,684 (2013 - $57,763)
Loss per share basic and diluted: $.002 (2013 – $.001)
The Company has no off-balance sheet arrangements.

Results of Operations for the year ended December 31, 2014

Due to the lack of sales and insufficient operating capital, the Company ceased operations at the end of 2014.

CASH FLOWS

Operating activities accounted for a $4,150 cash decrease during 2014 (2013 –$28,641). Cash used for operations was mainly dedicated to compliance costs.

Related Party Transactions:

(a) The Company has not entered into transactions with related parties during 2014 or 2013, however $45,000 in accounts payable remain outstanding related to consulting fees charged by corporations owned by management and directors in prior periods.

Amounts included in accounts payable and accrued liabilities are due under normal credit terms.

(b) The Company has not paid any compensation to executives, directors or employees during the years ended December 31, 2014 and 2013.

QUARTERLY OPERATING RESULTS

	2014	2014	2014	2014
	Q1	**Q2**	**Q3**	**Q4**
Net loss for the period	**$(5,971)**	**$(4,465)**	**$(2,107)**	**$(62,680)**
Per basic and diluted share	**$(.000)**	**$(.000)**	**$(.000)**	**$(.002)**

	2013	2013	2013	2013
	Q1	**Q2**	**Q3**	**Q4**
Net loss for the period	**$(1,023)**	**$(12,913)**	**$(3,585)**	**$(15,566)**
Per basic and diluted share	**$(.000)**	**$(.000)**	**$(.000)**	**$(.001)**

Results of the year ending December 31, 2014.

Operating results for the year had no sales combined with minimal operating expenses.. The net loss is due to the lack of completed sales during the year, combined with operating expenses and a write-down of the remaining inventory.

SELECTED ANNUAL FINANCIAL INFORMATION

	2014	**2013**	**2012**
Revenue for the year	$ (nil)	$ (nil)	$(nil)
Net income (loss) for the year	(75,223)	(34,015)	(48,951)
Net income (loss) Per basic and diluted share	(.002)	(.001)	(.001)
Total assets	3,503	52,805	83,465
Long term debt	Nil	Nil	Nil

Significant Accounting Estimates

The valuation of inventory is based on management's best estimate of the net realizable value of slow moving or obsolete inventory. Allowances are made against obsolete or damaged inventories and charged to cost of sales. The reversal of any write-down of inventory arising from an increase in net realizable value is recognized as a reduction in cost of sales in the period in which the reversal occurred.

The amount of inventory recognized as an expense during the year ended December 31, 2014 was $44,754 (2013 - $NIL) related to a write-down of inventory to its net realizable value. This value was determined to be $NIL at December 31, 2014 based on future plans of management and current market conditions

Deferred income tax is based on estimates as to the timing of the reversal of temporary differences, tax rates currently substantively enacted and the determination of the valuation allowance. The valuation allowance is based on estimates of the probability of the Company utilizing certain tax pools and losses in future periods.

ACCOUNTING PRONOUNCEMENTS ADOPTED DURING THE YEAR

On January 1, 2014, the Company adopted the following new standards and amendments which became effective for annual periods on or after January 1, 2014:

- IFRS Interpretations Committee (IFRIC) 21 "Levies" which provides guidanceon accounting for levies in accordance with the requirements of lAS 37, "Provisions, Contingent Liabilities and Contingent Assets". The interpretation clarifies that an entity is to recognize a liability for a levy when the activity that triggers the payment occurs. The interpretation also clarifies that a levy liability is to be accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. The adoption of this interpretation did not have a significant impact on the Company's financial statements.

- lAS 36 (amended), "Impairment of Assets". The amendments reduce the circumstances in which the recoverable amount of cash generating units, "CGUs", is required to be disclosed and clarifies the disclosures required when an impairment loss has been recognized or reversed in the period. The adoption of this amendment did not have a significant impact on the Company’s financial statements.

- The Company adopted several narrow-scope amendments to a total of nine standards issued by IASB in December 2013. The adoption of these amendments had no impact on the financial statements.

- IFRS 12, *"Disclosure of Interests in Other Entities"*, combines the disclosure requirements for entities that have interest in subsidiaries, joint arrangements, and associates as well as unconsolidated structured entities. The adoption of this standard had no impact on the Company's financial statements.

In addition to the adoption of the standards as detailed above, the Company will be required to adopt each of the following new standards in future years:

- IFRS 9, "Financial Instruments" IFRS 9, "Financial Instruments" provides a comprehensive new standard for accounting for all aspects of financial instruments. It includes a logical model for classification and measurement, a single, forward-looking 'expected-loss' impairment model and a substantially reformed approach to hedge accounting. The new standard is effective for years beginning on or after January 1, 2018. The Company has not determined the impact of the new standard on its financial statements.

- IFRS 15, "Revenue from Contracts with Customers"

IFRS 15, "Revenue from Contracts with Customers" provides a comprehensive new standard for recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the standards on leases, insurance contracts and financial instruments. It specifies how and when to recognize revenue as well as requiring entities to provide more informative and relevant disclosure. The new standard is effective for years beginning on or after January 1, 2017. The Company has not determined the impact of the new standard on its financial statements.

OUTSTANDING SHARE DATA

The following securities of the Company were issued and outstanding at December 31, 2014, and December 31, 2013.

Security	**# Issued and Outstanding**
Common voting shares	**33,435,762 (2013 – 33,435,762)**

On January 11, 2011, the Company issued a joint management information circular and proxy statement relating to the amalgamation of the Company with Altius Edge Ltd. The amalgamation was completed on March 31, 2011, at which point holders of certificates formerly representing Immunall shares had two years to surrender those certificates in exchange for new Immunall share certificates, representing common share ownership of the Company. At March 31, 2013, 8,830,080 certificates formerly representing Immunall shares had not been surrendered and exchanged, resulting in the cancellation of the associated common shares of the Company.

Historically, the Company has financed its operations through the issuance of common shares and shareholder loans.

The Company has a stock option plan in place, however no options were outstanding during the years ended December 31, 2014 and 2013.

General

Subsequent to year end, the Company signed an agreement with a third party to advance funds up to a maximum of $50,000 to cover operating costs. The facility bears interest at 10% per annum compounded annually and will accrue daily. All amounts are repayable on demand subsequent to January 8, 2016. As at December 23, 2015, $41,625 has been advanced under the facility.

The Company has no other credit facility arrangement with any lending institution. Consequently, there might not be sufficient funds available to meet foreseeable requirements for business growth, working capital, and capital expenditures. The Company's working capital and capital expenditure requirements will depend upon numerous factors including the success of current negotiations and the results, if any, of efforts to attract business opportunities into the Immunall corporate entity. In the future, the Company may require additional capital to fund operations, research and development, and strategic initiatives. The Company has no contractual obligations or off-balance sheet financing.

The Company will attempt to generate financing when required through the issuance of private placements or debentures as may be considered necessary by management. There can be no assurance that any of these methods will be successful in the future. The ability of the Company to raise funds from the issuance of additional share capital or from the exercise of future share options will depend upon the strength of the equity markets, which are always uncertain, and the future plans for the operations of the Company.

Contractual Obligations

During the 2007 year, the Company entered into a licensing and royalty memorandum of understanding with the initial developer of the ginseng technology that was being utilized exclusively by the Company for the production of products from ginseng roots. Consideration paid by the Company to obtain the exclusive licensing for the technology included the transfer of all patents previously held by the Company, a cash payment of $10,000, and a royalty of 5% of the invoiced cost of each production run incurred by the Company.

Liquidity and Capital Resources

Total cash on hand as at December 31, 2014 was $1,699 (2013 - $5,849). The company had no credit facilities in place with any banking institution. Subsequent to year end, the Company signed an agreement with a third party to advance funds up to a maximum of $50,000 to cover operating costs. The facility will bear interest at 10% per annum compounded annually and will accrue daily. All amounts are repayable on demand subsequent to January 8, 2016. As at December 23, 2015, $41,625 has been advanced under the facility.

Management is cautioning the reader of this MD&A, that there may not be sufficient cash on hand to sustain activities in the future, without sales revenue or the ability to raise additional cash in these current economic times.

Operating Risks and Risk Management

Expectations about the Company's financial achievements could have a significant effect on the trading price of the Company's shares. Except for historical information, certain matters discussed in this report are by their nature forward-looking statements that involve risk and uncertainties, which may cause actual results to differ materially from the statements made.

Financial Risks and Risk Management

(a) Risk management overview

The Company's activities expose it to a variety of financial risks including credit risk and liquidity risk. This note presents information about the Company’s exposure to each of the above risks, the

Company’s objectives, policies and processes for measuring and managing risk, and the Company’s management of capital. Further quantitative disclosures are included throughout these financial statements. The Company employs risk management strategies and polices to ensure that any exposure to risk are in compliance with the Company’s business objectives and risk tolerance levels. While the Board of Directors has the overall responsibility for the Company’s risk management framework, the Company’s management has the responsibility to administer and monitor these risks.

(b) Fair values of financial instruments

The fair value of the Company's cash and accounts payable and accrued liabilities approximate their carrying value due to immediate or short-term maturity of these financial instruments. Currently, the Company is not involved in any hedging activities.

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - reflects valuation based on quoted prices observed in active markets for identical assets or liabilities.

Level 2 - reflects valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - reflects valuation techniques with significant unobservable market inputs.

A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The financial instrument in the Company's financial statements measured at Level 1 fair value is cash.

(c) Credit risk

Credit risk is the risk of financial loss to the Company if any counterparty fails to discharge its obligations.

Credit risk exists in cash, which is mitigated by the Company holding its cash in major Canadian banking financial institutions.

(d) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities as they become due. The financial liabilities on the statements of financial position consist of accounts payable and accrued liabilities, which includes $45,000 due to related parties (note 7) that is not expected to be repaid in the next year. Management closely monitors cash flow requirements to ensure that it has sufficient cash on demand to meet operational and financial obligations as they become due.

(e) Capital risk management

The Company's objectives in managing its capital is to safeguard the Company's assets to be able to continue as a going concern, and to sustain future development of the business.

Management defines capital as the Company's shareholders' equity (deficiency). The Company manages its capital structure and makes adjustments to it according to economic market conditions.

Management monitors the Company's ongoing capital requirements against unrestricted net working capital and assesses expected capital requirements for the fiscal period. In order to maintain or adjust the capital structure, the Company may adjust spending, issue new shares, sell assets or incur debt.

There have been no changes to the Company's capital disclosure policy during the years ended December 31, 2014 and 2013 and the Company is not subject to externally imposed capital requirements at December 31, 2014 and 2013.

Foreign exchange:

The Company is not currently exposed to market risk related to changes in foreign currency. Should it become exposed to this risk, it could adversely affect the value of the Company's current assets and liabilities as well as impact revenues and profitability. The Company's expenditures on goods and services are primarily in Canadian dollars. The company has not entered into any forward currency contracts or other financial derivatives as of December 31, 2014 to hedge foreign exchange risk and therefore is not subject to foreign currency transaction and translation gains and losses.

Interest rate risk:

The Company currently has no exposure to interest rate risks as it does not have any debt subject to interest rate fluctuations.

Other risk factors:

The Company has a history of net losses. As at December 31, 2014, the Company has an accumulated deficit of $1,250,198 (2013- ($1,174,975). There is no assurance that the Company will grow and be profitable.

Trading Market and Volatility:

General market conditions can have an impact on the market price of a company's shares. It can happen that share prices of publicly traded companies can demonstrate extreme price fluctuations that may not be related to the operations of the companies themselves. Thus, there can be no assurance that an active public market will develop or be sustained for the common shares of this company.

Outlook

Immunall conducts business operations by researching and formulating American ginseng products; sourcing raw materials for its American ginseng products from its network of business contacts in Ontario (the "**Contacts**"); and contracting with third party manufacturers to refine, manufacture and package these raw materials into finished American ginseng products for commercial sales.

Due to lack of available financing and current market conditions, since 2012, Immunall has been unable to actively conduct operations. Management continues to review the American ginseng sector, and available financing opportunities, with a view to commencing active operations again. Management also remains open to exploring business opportunities in other market sectors in the future.

Management's current focus is on developing a new product from American Panax Ginseng that stimulates the immune system and boosts overall vitality (the "**Panax Product**").

If Immunall elects to proceed with the development of the Panax Product, Management can utilize the expertise and resources of Bret Smith, a director of the Company who also serves as President of True Form Packaging Inc. ("**True Form**"). Mr. Smith has extensive experience in toll manufacturing, and True Form is a Canadian company that manufactures natural health products from raw or semi-finished materials, including capsules, tablets, powders and liquids. Immunall can contract with True Form to refine, manufacture and package the Panax Product for sale going forward. The Company also has existing relationships with other third party manufacturers, such as POS Pilot Labs ("**POS**"). Immunall can contract with these manufacturers to provide additional manufacturing services with respect to the Panax Product.

Immunall currently holds 2000 pounds of milled American ginseng in storage (the "**Inventory**") at True Form. The Company can either sell the Inventory in its current state or use the Inventory as an ingredient in the Panax Product. Upon resuming business operations, the Company can contract with True Form to refine, manufacture and package the Inventory into the Panax Product for commercial sales, or send the Inventory to POS and other manufacturers for similar manufacturing services. After exhausting the Inventory, the Company will need to source new ingredients for the Panax Product from its Contacts and continue to contract with third party manufacturers to refine, manufacture and package these ingredients into finished products for commercial sales.

Immunall is investigating possibilities for distributing and selling the Panax Product in Vietnam. Management has made contact with Can Viet International Investments Co. Ltd. (“**Can Viet**”), a Vietnamese company that is in the business of cultivating Cordyceps, a type of medicinal mushroom, for use in nutraceutical products. The Company is currently in discussions with Can Viet and contemplating engaging Can Viet as an international agent to assist with the distribution of the Panax Product in Vietnam. The Company is also considering entering into an arrangement to sell unrefined American ginseng to Can Viet in bulk quantities for use in its Cordyceps nutraceutical products.

Immunall is also investigating the process required to have the Panax Product licensed and authorized for marketing and sale in Vietnam. If the Company elects to proceed with development of the Panax Product, Management plans to use the product license and a Natural Product Number (“**NPN**”) for the Panax Product pursuant to the National Health Products Regulations. Although a product license and NPN are not required to market nutraceutical products for commercial sale in Vietnam, these certifications would signal to the Vietnamese market that the Panax Product is safe, effective, and of sufficiently high quality for approval by Canadian regulatory authorities.

Immunall has not yet made a decision to proceed with developing the Panax Product beyond the initial planning phases. The Company has not commenced formally researching the Panax Product or conducting clinical trials; contracting with its Contacts to source American Panax Ginseng; contracting with third party manufacturers to refine, manufacture and package the Panax Product; drafting the contemplated contract with Can Viet; applying to applicable Vietnamese regulatory authorities for licensure of the Panax Product; or taking any other additional steps to advance the development of the Panax Product.

Given the preliminary stage of development of the Panax Product, it is challenging for Management to anticipate the lead time required before the Panax Product could be ready for distribution and sale in Vietnamese markets to generate revenue for the Company. In the event that the Company elects to proceed with development of the Panax Product, Management estimates that it could be ready for distribution and sale in 12 to 15 months. However, given the volatility and unpredictability of current market conditions, there can be no assurance that Management's intentions for the Panax Product can be brought to fruition in a timely fashion, or at all.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements which reflect the Company's current expectations regarding future events. These forward-looking statements involve risks and uncertainties. Actual results may differ materially from those projected and depend on a number of factors, including but not limited to uncertainties in the regulatory process, uncertainties in the development of the Panax Product, difficulty of predicting demand for products, the impact of competitive products, the availability of adequate supplies of raw materials, the protection of intellectual property and fluctuations in operating results. The reader is cautioned not to rely on these forward-looking statements.

Additional information on the Company is found on the SEDAR website at: www.sedar.com.

Frank Phillet CEO
Immunall Science Inc.
December 23, 2015

SCHEDULE "A"

FORM 52-110F2
AUDIT COMMITTEE DISCLOSURE

Item 1: The Audit Committee Charter

1. Mandate

The Audit Committee (the **"Committee"**) of the board of directors (the "**Board**") of Immunall Science Inc. (the "**Company**") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing: (1) the financial statements, reports and other financially-based information provided to shareholders, regulators and others; (2) the internal controls that management and the Board have established; and (3) the audit, accounting and financial reporting processes generally.

In meeting these responsibilities, the Committee will:

(a) monitor the financial reporting process and internal control system;

(b) review and appraise the work of the external auditors; and

(c) provide an open avenue of communication between the external auditors, senior management and the Board.

The external auditors are accountable to the shareholders through the Committee. The Committee is responsible for ensuring that the external auditors comply with the requirements stipulated in this Charter and satisfying itself of the external auditors' independence.

2. Composition

The Committee shall be composed of a minimum of three directors of the Company, a majority of whom are independent. An independent director, as defined in National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") is a director who has no direct or indirect material relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a members independent judgment or as otherwise determined to be independent in accordance with NI 52-110.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Committee's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Members shall serve one-year terms and may serve consecutive terms, which are encouraged to ensure continuity of experience. The chairperson of the Committee (the "**Chairperson**") shall be appointed by the Board for a one-year term, and may serve any number of consecutive terms.

3. Meetings

The Committee shall try to meet at least four times per year and may call special meetings as required. A quorum at meetings of the Committee shall be its Chairperson and one of its other members or the Chairman of the Board. The Committee may hold its meetings, and members of the Committee may attend meetings, by telephone conference if this is deemed appropriate.

The Chairperson shall, in consultation with management and the external auditor and internal auditor (if any), establish the agenda for the meetings and ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting. The external auditor will also receive notice of all meetings of the Committee. The Committee may employ a list of prepared questions and considerations as a portion of its review and assessment process.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to Committee members with copies to the Board, the Chief Executive Officer, the Chief Financial Officer and the external auditor.

4. Responsibilities and Duties

Audit Committee

To fulfill its responsibilities and duties, the Committee shall:

(a) Review this Charter annually, and update if necessary.

(b) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company.

(c) Where the Committee deems it necessary, obtain a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company.

(d) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

(e) Take, or recommend that the full Board, take appropriate action to oversee the independence of the external auditors.

(f) Recommend to the Board the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

(g) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

(h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

(i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

(i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent (5%) of the total amount of fees paid by the

Company to its external auditors during the fiscal year in which the non-audit services are provided;

(ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and

(iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee. Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

Chairperson

The fundamental responsibility of the Chairperson is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling its mandate and any other matters delegated to it by the Board. To that end, the Chairperson's responsibilities shall include:

(a) working with the Chairman of the Board, the Chief Executive Officer and the Secretary to establish the frequency of Committee meetings and the agendas for meetings;

(b) providing leadership to the Committee and presiding over Committee meetings;

(c) facilitating the flow of information to and from the Committee and fostering an environment in which Committee members may ask questions and express their viewpoints;

(d) reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;

(e) leading the Committee in annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and

(f) taking such other steps as are reasonably required to ensure that the Committee carries out its mandate.

5. Financial Reporting Processes

(a) Review, discuss and recommend to the Board for approval, the annual audited financial statements and related “management’s discussion and analysis” prior to delivery to shareholders, and where applicable, filing with securities regulatory authorities.

(b) Review and discuss with the external auditors the results of their reviews and audit, any issues arising and management’s response, including any restrictions on the scope of the external auditors’ activities or requested information and any significant disagreements with management, and resolving any disputes.

(c) Review, discuss, approve, or recommend to the Board for approval, the quarterly financial statements and quarterly “management’s discussion and analysis” prior to delivery to shareholders, and where applicable, filing with securities regulatory authorities.

(d) Review and discuss with management and the external auditors the Company’s critical accounting policies and practices, material alternative accounting treatments, significant accounting and reporting judgments, material written communications between the external auditor and management (including management representation letters and any schedule of unadjusted differences) and significant adjustments resulting from the audit or review.

(e) Where applicable, review and discuss with management the Company’s earnings press releases, and such other relevant public disclosures containing financial information as the Committee may consider necessary or appropriate.

(f) Where applicable, review and discuss with management the disclosure controls relating to the Company’s public disclosure of financial information, including information extracted or derived from the financial statements, and periodically assess the adequacy of such procedures.

(g) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.

(h) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

(i) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.

(j) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

(k) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

(l) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

(m) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

(n) Review the certification process.

(o) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

6. Other

Review any related-party transactions.

Item 2: Composition of the Audit Committee

The current members of the Audit Committee are Messrs. Phillet, McLennan and Smith, one of whom is independent (Mr. Smith) and all of whom are financially literate as defined by NI 52-110 – *Audit Committees* ("**NI 52-110**"). To assess financial literacy, the Board considers the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The Company acknowledges that, due to the current composition of the Board, it is not in compliance with Section 2 of the Audit Committee Charter.

Item 3: Relevant Education And Experience

All members of the Audit Committee have been involved in enterprises which engage corporate acquisitions and/or private equity investing, each of which requires a working understanding of, and ability to analyze and assess, financial information (including financial statements).

<u>Mr. M. Frank Phillet</u>

Mr. Phillet was retained as CFO of DevStudios International Inc., a publically traded software development company, from 2000 to 2006. He also served as director of Mosaic Capital Corporation, a publically traded investment company, and First West Properties Ltd., a publically traded real estate investment company, from 2011 to 2013 and 2006 to 2011 respectively. Mr. Phillet is a chartered accountant ("**CA**"), and obtained his professional designation in 1979. Mr. Phillet co-founded an accounting firm, Phillet & McLennan Chartered Accountants, with Mr. McLennan in 1995.

<u>Mr. Craig McLennan</u>

Mr. McLennan is a CA, and obtained his professional designation in 1979. Mr. McLennan co-founded an accounting firm, Phillet & McLennan Chartered Accountants, with Mr. Phillet in 1995.

<u>Mr. Bret Smith</u>

Mr. Smith currently serves as President of True Form Packaging Inc. ("**True Form**"). He also served as CEO and President of BioPak Limited ("**BioPak**") from 1995 to 2011. Both True Form and BioPak are private companies specializing in manufacturing and packaging of dietary supplements and pharmaceuticals.

Item 4: Audit Committee Oversight

At no time during the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor (currently, Collins Barrow Calgary LLP) not adopted by the Board.

Item 5: Reliance on Certain Exemptions

During the most recently completed financial year, the Company has not relied on certain exemptions set out in NI 52-110, namely section 2.4 (*De Minimus Non-audit Services*), subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*), and any exemption, in whole or in part, in Part 8 (*Exemptions*).

Item 6: Pre-Approval Policies and Procedures

The Audit Committee has not adopted formal policies and procedures for the engagement of non-audit services. Subject to the requirements of the NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case by case basis.

Item 7: External Auditor Service Fees (By Category)

The following table sets out the aggregate fees charged to the Company by the external auditor in each of the last two financial years for the category of fees described.

	FYE 2014	**FYE 2013**
Audit Fees	$14,500	$13,300
Audit-Related Fees	Nil	Nil
Tax fees	Nil	Nil
All Other Fees	Nil	Nil
Total Fees:	$14,500	$13,300

Item 8: Exemption

During the most recently completed financial year, the Company relied on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*).

SCHEDULE "B"

FORM 58-101F2
CORPORATE GOVERNANCE DISCLOSURE
(VENTURE ISSUERS)

Item 1: Board Of Directors

The board of directors of the Company (the "**Board**") supervises the chief executive officer ("**CEO**") and the chief financial officer ("**CFO**"). Both the CEO and CFO are required to act in accordance with the scope of authority provided to them by the Board.

Director	Independence
M. Frank Phillet	Not independent, as he is CEO of the Company
Craig McLennan	Not independent, as he is CFO of the Company
Bret Smith	Independent

Item 2: Directorships

There are no directors of the Company who are currently directors of other issuers that are reporting issuers or the equivalent.

Item 3: Orientation and Continuing Education

The Board does not have a formal process for the orientation of new Board members. Orientation is done on an informal basis. New Board members are provided with such information as is considered necessary to ensure that they are familiar with the Company's business and understand the responsibilities of the Board.

The Board does not have a formal program for the continuing education of its directors. The Company expects its directors to pursue such continuing education opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their duties as members of the Board. Directors can consult with the Company's professional advisors regarding their duties and responsibilities, as well as recent developments relevant to the Company and the Board.

Item 4: Ethical Business Conduct

The Board has not adopted a formal code of ethics. In the Board’s view, the fiduciary duties placed on individual directors by corporate legislation and the common law, and the restrictions placed by corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Although the Company has not adopted a formal code of ethics, the Company promotes an ethical business culture. Directors and officers of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. Directors are also encouraged to consult with the Company’s professional advisors with respect to any issues related to ethical business conduct.

Item 5: Nomination Of Directors

The identification of potential candidates for nomination as directors of the Company is primarily done by the CEO, but all directors are encouraged to participate in the identification and recruitment of new directors. Potential candidates are primarily identified through referrals by business contacts.

Item 6: Compensation

The compensation of directors and the CEO is determined by the Board as a whole. Such compensation is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

Item 7: Other Board Committees

The Board does not have any standing committees other than the Audit Committee.

Item 8: Assessments

The Board does not have any formal process for assessing the effectiveness of the Board, its committees, or individual directors. Such assessments are done on an informal basis by the CEO and the Board as a whole.