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Management's Discussion and Analysis of Financial Condition and Operating Results

For The Three Months Ended January 31, 2012

Prepared by Management (Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND OPERATING RESULTS

The following Management's Discussion and Analysis of Financial Condition and Operating Results ("MD & A") for New International Infopet Systems Ltd. ("Infopet" or the "Company") should be read in conjunction with the Unaudited Condensed Interim Financial Statements for the Three months ended January 31, 2012 and year ended October 31, 2011 and the Notes thereto and constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended January 31, 2012.

This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the years ended October 31, 2011 and 2010, together with notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the interim periods are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at April 23, 2012, unless otherwise indicated.

On November 1, 2010, the Company adopted International Financial Reporting Standards ("IFRS"). The unaudited condensed interim financial statements for the three months ended January 31, 2012, have been prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting, using accounting policies consistent with IFRS. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Readers of the MD&A should refer to "Changes in Accounting Policies" below for a discussion of IFRS and its effect on the Company's financial presentation.

The comparative financial information for 2011 and 2010 in this MD&A has been restated to conform to IFRS, unless otherwise stated.

Further information about the Company and its operations is available on SEDAR at www.sedar.com.

The information in this Management's Discussion and Analysis was approved by the Company's Board of Directors on April 23, 2012 and contains all relevant considerations to that date.

The following Management's Discussion and Analysis ("MD&A") may contain forward-looking statements. Forward-looking statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual events or results to differ materially from those reflected herein. Forward-looking statements are based on the estimates and opinions of management of the Company at the time the statements were made. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", and similar expressions. These 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 (see Risks Factors below).

Risk Factors

Some of the business risks could include:

- ability to raise financing;
- ability to meet obligations as they come due;
- reliance on related parties;
- general business and economic conditions;
- the ability to attract and retain staff;
- competition for, among other things, financings, acquisitions and skilled personnel; and
- government regulation.

The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base their decisions on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The Company also cautions readers not to place undue reliance on these forward-looking statements. Moreover, these forward-looking statements may not be suitable for establishing strategic priorities and objectives, future strategies or actions, financial objectives and projections other than those mentioned above.

Overview

The Company has no operations and is currently seeking new business opportunities. Success in identifying a suitable new business for the Company is uncertain. Furthermore, the Company has limited working capital to pursue such opportunities.

The ability of the Company to continue as a going concern is dependent upon, among other things, its being able to obtain additional financing, and maintaining positive operating cash flows.

Overall Performance

During the first three months of fiscal 2012, the Company concentrated on its IFRS conversion from Canadian Generally Accepted Accounting Principles ("Canadian GAAP") and searched for prospective assets and businesses to acquire or merge with.

At January 31, 2012, the Company had cash of $1,228 and shareholders' deficit of $2,010,053. This compares with cash of $1,259 and shareholders' deficit of $2,009,118 at October 31, 2011 and cash of $1,828 and shareholders' deficit of $2,008,549 at November 1, 2010.

At January 31, 2012, the Company had $200,251 of current liabilities (October 31, 2011 - $199,347 and November 1, 2010 - $199,347).

At January 31, 2012, the Company had a working capital deficiency of $198,963 compared to working capital deficiency of $198,088 at October 31, 2011 November 1, 2010 $197,519).

The Company had no revenue for the three months ended January 31, 2012 which was the same as for the three month period ending January 31, 2011.

The Company believes that additional financing will be required to fund its operating expenses as it searches for suitable assets and businesses to merge with or acquire. The Company is economically dependent on related parties for financing its ongoing operations.

Trends

The Company plans to continue to search for suitable assets or businesses to acquire or merge with in order to maximize value for shareholders. Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and long-term strategic decisions. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Selected Quarterly Information

For quarters ending after November 1, 2010, the quarterly results have been restated to reflect accounting policies consistent with IFRS. Quarterly results for quarters ended before November 1, 2010, have been prepared in accordance with Canadian GAAP.

Three Months Ended	Accounting Polices ($)	Total Sales ($)	Profit or Loss	
			Total ($)	Per Share ($)
January 31, 2012	IFRS	-	(935)	(0.00)
October 31, 2011	IFRS	-	(29)	(0.01)
July 31, 2011	IFRS	-	(24)	(0.00)
April 30, 2011	IFRS	-	(492)	(0.00)
January 31, 2011	IFRS	-	(24)	(0.00)
October 31, 2010	Canadian GAAP	-	(5,552)	(0.01)

Results of Operations

Operating Expenses

For the three months ended January 31, 2012 operating expenses were $935, which was $911 higher than operating expenses of $24 for the same three month period in 2011. An increase of $904 in professional fees was primarily responsible for the increase in operating expenses.

The increase in professional fees was attributed to the Company's IFRS conversion.

Net Loss and Comprehensive Loss for the Period

Net loss and comprehensive loss for the three months ended January 31, 2012 was $935 compared to net loss and comprehensive loss of $24 for the three months ended January 31, 2011.

Loss Per Share Basic and Diluted

The basic and diluted loss per share for the three months ended January 31, 2012 was $0.00 compared to basic and diluted loss per share of $0.00 for the three months ended January 31, 2011.

Liquidity

The Company has a significant working capital deficiency and is economically dependent on various related parties for financing its ongoing operations. At January 31, 2012 the Company has a working capital deficiency of $199,022 (October 31, 2011 - $198,087, November 1, 2010 - $197, 518). The Company's primary use of funds was applied to operating expenses.

The Company's current assets as of January 31, 2012 were $1,229 which consists of cash and long-term investments (October 31, 2011 - $1,260, November 1, 2010 - $1,829).

The Company's current liabilities at January 31, 2012 were $200,251 (October 31, 2011- $199,347, November 1, 2010 - $199,347). Included in current liabilities is accounts payable and accrued liabilities of $8,765 (October 31, 2011- $7,861 and November 1, 2010 - $7,861) and amounts due to related parties of $191,486 (October 31, 2011- $191,486, November 1, 2010 - $191,486).

The Company will require additional sources of revenue or further advances from related parties to meet its current and future working capital obligations.

The Company's past primary source of liquidity and capital resources has been advances from related parties and consulting revenue. The Company does not currently have any contracts or commitments for capital expenditures. At present, the Company does not have sufficient resources to fund its current working capital requirements. The Company may be required to obtain additional financing by way of debt, issuance of common shares or some other means to service its working capital requirements, any additional or unforeseen obligations or to implement any future opportunities.

Capital Resources

At present, the Company's operations are inactive. The Company does not have any contracts or commitments for capital expenditures. The Company will be required to obtain external financing in order to participate in any opportunities. In order to obtain sufficient financing, the Company may be required to obtain a listing of its common shares. If the Company issued additional common shares from treasury, it would cause the current shareholders of the Company to be diluted.

Off- Balance Sheet Transactions

The Company has no off balance sheet arrangements.

Related Party Transactions

Amounts due to related parties by the Company at January 31, 2012, October 31, 2011 and November 1, 2010 are as follows:

	As at January 31, 2012	**As at October 31, 2011**	**As at November 1, 2010**
Dapaul Management Limited (as trustee) (i)	**$ 157,586**	$ 157,586	$ 157,586
857710 Ontario Limited (ii)	**32,445**	32,445	32,445
Due to president (iii)	**1,455**	1,455	1,455
	$ 191,486	$ 191,486	$ 191,486

(i) The president of the Company owns 100% of Dapaul Management Limited. The amount due is non-interest bearing and payable on demand.

(ii) 857710 Ontario Limited is a corporation controlled by a director and officer of the Company. The amount is unsecured, non-interest bearing, and without definite terms of repayment.

(iii) The amount is due to the president of the Company. The amount is unsecured, non-interest bearing, and without definite terms of repayment.

Economic dependence

The Company is economically dependent on the above related parties for financing of its ongoing operations.

Segmented information

Since the Company's operations comprise a single reporting segment, amounts disclosed in the condensed interim financial statements for revenue, expenses, net comprehensive (loss) income for the year, and basic and diluted (loss) income per share also represent segment amounts.

Summary of Significant Accounting Policies

Nature of Operations and Going Concern Assumption

New International Infopet Systems Ltd. (the "Company") was incorporated under the laws of the Province of Ontario on March 9, 1965. The Company has no operations and is currently seeking new business opportunities. The Company has limited working capital to pursue such business opportunities. To date, activities have been funded by loans from related parties .There can be no assurance that should additional financing from the related parties or others be required, it will be available or on terms acceptable to the Company. The ability of the Company to continue as a going concern is dependent upon, among other things, its being able to obtain additional financing, and maintaining positive operating cash flows. The Company's discretionary activities do have considerable scope for flexibility in terms of the amount and timing of expenditure, and expenditures may be adjusted accordingly.

Significant accounting policies

Conversion to International Financial Reporting Standards ("IFRS")

These are the Company’s first financial statements prepared in accordance with IFRS. Previously, the Company prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles (“Canadian GAAP”). The disclosures required by the provisions of IFRS 1, “First-time adoption of International Financial Reporting Standards”, explaining how the transition to IFRS has affected the reported financial performance, cash flows and financial position of the Company, are presented in Note 8.

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The accounting policies set out below have been applied consistently to all periods presented in these unaudited condensed interim financial statements. They also have been applied in preparing an opening IFRS balance sheet at November 1, 2010 (Note 8) for the purposes of the transition to IFRS, as required by IFRS 1.

These unaudited condensed interim financial statements have been prepared on the basis of IFRS standards that are expected to be effective or available for early adoption by the Company on October 31, 2012, the Company's first annual reporting date under IFRS. The Company has made certain assumptions about the accounting policies expected to be adopted when the first IFRS annual financial statements are prepared for the year ended October 31, 2012.

Basis of presentation

These unaudited condensed interim financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, these unaudited condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of these unaudited condensed interim financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates. Of particular significance are the estimates and assumptions used in the recognition and measurement of items included in Note 2(h).

Financial assets

The Company's financial instruments consist of the following:

Financial assets:	**Classification:**
Cash	Fair value through profit and loss ("FVTPL")
Financial liabilities:	**Classification:**
Accounts payable and accrued liabilities	Other financial liabilities
Due to related parties	Other financial liabilities

Fair value through profit and loss:

Financial assets are classified as FVTPL when acquired principally for the purpose of trading, if so designated by management (fair value option), or if they are derivative assets that are not part of an effective and designated hedging relationship. Financial assets classified as FVTPL are measured at fair value, with changes recognized in the statements of income (loss).

The Company's financial assets classified as FVTPL include cash. The Company does not currently hold any derivative instruments or apply hedge accounting.

Other financial liabilities:

Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been negatively impacted. Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

The carrying amount of financial assets is reduced by any impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the condensed statement 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 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of January 31, 2012, October 31, 2011 and November 1, 2010, other than cash, none of the Company's financial instruments are recorded at fair value on the unaudited condensed interim statement of financial position. Cash is considered as a Level 1 financial instrument.

Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's fair value less cost to sell or its value in use. In addition, long-lived assets that are not amortized are subject to an annual impairment assessment.

Cash

Cash in the statements of financial position comprises cash at banks.

Earnings (loss) per share

Basic earnings (loss) per share is calculated using the weighted average number of shares outstanding. Diluted earnings (loss) per share is calculated using the treasury stock method. In order to determine diluted earnings (loss) per share, the treasury stock method assumes that any proceeds from the exercise

of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted earnings (loss) per share calculation. The diluted earnings (loss) per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share.

Investments

Investments in entities not controlled but subject to significant influence are accounted for using the equity method.

Critical accounting estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- management's position that the Company will continue as a going concern; and
- management's position that there are no income tax considerations required within these unaudited condensed interim financial statements.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it provides a valuation allowance against that excess.

Recent accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after January 31, 2012. Many are not applicable or do not have a significant impact to the Company and have been excluded from the table below. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

(i) IFRS 9 – Financial instruments (“IFRS 9”) was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach

to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2015.

(ii) IFRS 10 – financial statements ("IFRS 10") was issued by the IASB in May 2011. IFRS 10 is a new standard which identifies the concept of control as the determining factor in assessing whether an entity should be included in the financial statements of the parent company. Control is comprised of three elements: power over an investee; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns. IFRS 10 is effective for annual period beginning on or after January 1, 2013. Earlier adoption is permitted.

(iii) IFRS 11 – Joint arrangements ("IFRS 11") was issued by the IASB in May 2011. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and expenses in accordance with the arrangement, whereas entities in the latter case account for the arrangement using the equity method. IFRS 11 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted.

(iv) IFRS 12 – Disclosure of interests in other entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles. IFRS 12 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted.

(v) IFRS 13 – Fair value measurement ("IFRS 13") was issued by the IASB in May 2011. IFRS 13 is a new standard which provides a precise definition of fair value and a single source of fair value measurement considerations for use across IFRSs. The key points of IFRS 13 are as follows:

- fair value is measured using the price in a principal market for the asset or liability, or in the absence of a principal market, the most advantageous market;
- financial assets and liabilities with offsetting positions in market risks or counterparty credit risks can be measured on the basis of an entity's net risk exposure;
- disclosures regarding the fair value hierarchy has been moved from IFRS 7 to IFRS 13, and further guidance has been added to the determination of classes of assets and liabilities;
- a quantitative sensitivity analysis must be provided for financial instruments measured at fair value;
- a narrative must be provided discussing the sensitivity of fair value measurements categorised under Level 3 of the fair value hierarchy to significant unobservable inputs; and
- information must be provided on an entity's valuation processes for fair value measurements categorized under Level 3 of the fair value hierarchy.

IFRS 13 is effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted.

(vi) IAS 1 – Presentation of financial statements ("IAS 1") was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012.

Capital Management

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future business opportunities, and pursuit of business or asset acquisitions; and
- To maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be capital stock, reserve and deficit which at January 31, 2012 totalled a deficit balance of $199,022 (October 31, 2011 - deficit balance of $198,087 and November 1, 2010 - deficit balance of $197,518).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the three months ended January 31, 2012. The Company is not subject to any capital requirements imposed by a lending institution.

Financial Instruments

The Company's risk exposures and their impact on the Company's financial instruments are summarized below:

Credit Risk

The Company is exposed to credit risk through its cash, which is held at a Canadian chartered bank. The Company believes this credit risk is insignificant.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. As at January 31, 2012, the Company had a cash balance of $1,228 (October 31, 2011 - $1,259 and November 1, 2010 - $1,828) to settle current liabilities of $200,251 (October 31, 2011 - $199,347 and November 1, 2010 - $199,347). Most of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

It is expected the Company will render one invoice annually for consulting fees to the President/Chief Executive Officer of the Company in an amount sufficient to cover its ongoing operating expenses.

Fair Values

The fair values of cash, accounts payable, accrued liabilities and due to related parties approximate their carrying values due to the short-term to maturity of these financial instruments.

Sensitivity analysis

The Company does not have significant financial instruments as at January 31, 2012. A one percentage point increase or decrease in the Company's financial instruments would not have a significant impact on profit or loss.

Other MD&A Requirements

Additional Information

Additional information relating to the Company may be obtained or viewed from the System for Electronic Data Analysis and Retrieval at www. sedar.com

Share Capital as at January 31, 2012 and as at the date of this MD&A

(a) Authorized

Unlimited number of common shares

(b) Common shares issued

	Number of common shares		Stated value
Balance at November 1, 2010, January 31, 2011, October 31, 2011, and January 31, 2012	**1,068,400**	**$**	**1,586,504**

(c) Other

The Company had no convertible shares, stock options or warrants outstanding during the current or prior years.