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

For The Three And Six Months Ended April 30, 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 and six months ended April 30, 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 and six months ended April 30, 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 June 26, 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 and six months ended April 30, 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 June 26, 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 six 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 April 30, 2012, the Company had cash of $2,348 and shareholders' deficit of $2,008,933. 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 April 30, 2012, the Company had $200,251 of current liabilities (October 31, 2011 - $199,347 and November 1, 2010 - $199,347).

At April 30, 2012, the Company had a working capital deficiency of $197,903 compared to working capital deficiency of $198,088 at October 31, 2011 November 1, 2010 $197,519).

The Company had $10,000 of consulting revenue for the three and six months ended April 30, 2012 compared to $8,000 for the three and six month period ending April 30, 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 ($)	Per Share ($)
April 30, 2012	IFRS	-	1,120	0.00
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)
July 31, 2010	Canadian GAAP	-	(24)	(0.00)

Results of Operations

Six months ended April 30, 2012, compared with six months ended April 30, 2011

For the six months ended April 30, 2012, the Company reported income of $185 (basic and diluted income per share - $0.00) versus a loss of $516 (basic and diluted loss per share – ($0.00)) in the corresponding period in 2011. Revenue in both periods related to consulting fees earned from the Company's president. Consulting fees amounted to $10,000 in the current period compared to $8,000 in the comparative period. Expenses in both periods related primarily to accounting fees and regulatory filing fees to keep the Company compliant with its public company reporting and disclosure obligations. Professional fees were $8,135 for the current period compared to $6,328 in the comparative period. Office fees were $1,680 for the current period compared to $2,188 in the comparative period. In general, most expenses in 2012 were slightly higher because the Company required assistance from external consultants to assist the Company with its IFRS conversion.

Three months ended April 30, 2012, compared with three months ended April 30, 2011

For the three months ended April 30, 2012, the Company reported income of $1,120 (basic and diluted income per share - $0.00) versus a loss of $492 (basic and diluted loss per share – ($0.00)) in the corresponding period in 2011. Revenue in both periods related to consulting fees earned from the Company's president. Consulting fees amounted to $10,000 in the current period compared to $8,000 in the comparative period. Expenses in both periods related primarily to accounting fees and regulatory filing fees to keep the Company compliant with its public company reporting and disclosure obligations. Professional fees were $7,231 for the current period compared to $6,328 in the comparative period. Office fees were $1,649 for the current period compared to $2,164 in the comparative period. In general, most expenses in 2012 were slightly higher because the Company required assistance from external consultants to assist the Company with its IFRS conversion.

Liquidity

The Company has a significant working capital deficiency and is economically dependent on various related parties for financing its ongoing operations. At April 30, 2012 the Company has a working capital deficiency of $197,903 (October 31, 2011 - $198,088, November 1, 2010 - $197, 519). The Company's primary use of funds was applied to operating expenses.

The Company's current assets as of April 30, 2012 were $2,348 which consists of cash (October 31, 2011 – cash of $1,259, November 1, 2010 – cash of $1,828). Long-term assets as of April 30, 2012 were $1 which consists of 1,000 common shares of International Infopet Systems Inc., a privately owned company registered in Delaware, United States. This holding represents a one-third interest in that corporation (October 31, 2011 – $1, November 1, 2010 – $1).

The Company exercises significant influence over the investee and uses the equity method to account for its investment. During 2004, the investment became permanently impaired and was written down to a nominal amount of $1. Any subsequent increase in value will be recognized only when the investment becomes profitable.

The Company's current liabilities at April 30, 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

(a) Amounts due to related parties by the Company at April 30, 2012, October 31, 2011 and November 1, 2010 are as follows:

	As at April 30, 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.

(b) During the three and six month periods ended April 30, 2012, the Company received $10,000 from the Company's president for consulting services rendered to him (three and six month periods ended April 30, 2011 - $8,000).

Economic dependence

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

Changes in Accounting Policies

Impact of Adopting IFRS on the Company's Accounting Policies

The unaudited condensed interim financial statements for the quarter ended April 30, 2012 have been prepared in accordance with IFRS. The Company has prepared its financial statements until October 31, 2011 in accordance with Canadian GAAP, which differ in certain respects from IFRS. In preparing the April 30, 2012 unaudited condensed interim financial statements, the Company amended certain accounting policies the Company previously applied in the Canadian GAAP financial statements, to comply with IFRS. However, these changes have not had any material impact on the amounts the Company previously recorded under Canadian GAAP.

The adoption of IFRS has resulted in some changes to the Company's accounting systems and business processes. However, the impact has been minimal. The Company has not identified any contractual arrangements that are significantly impacted by the adoption of IFRS.

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after April 30, 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 April 30, 2012 totaled a deficit balance of $197,902 (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 and six months ended April 30, 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 April 30, 2012, the Company had a cash balance of $2,348 (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 April 30, 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 April 30, 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, April 30, 2011, October 31, 2011, and April 30, 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.