Management's Discussion and Analysis and Financial Review
as at November 28, 2013

The following is Management's Discussion and Analysis ("**MD&A**") of Chinook Tyee Industry Limited's (formerly Global Railway Industries Ltd.) financial condition and results of operations for the nine month period ended September 30, 2013. This MD&A has been prepared as of November 28, 2013. Except where otherwise indicated, all financial information is expressed in Canadian dollars. This discussion is intended to assist the reader in understanding the key factors underlying the Company's financial condition. This analysis should be read in conjunction with the Company's unaudited Condensed Consolidated Interim Financial Statements, which are available on SEDAR at www.sedar.com. The Company's website is www.chinooktyee.com.

In this document, unless the context otherwise requires, the "**Company**" or "**Chinook Tyee**" refers to Chinook Tyee Industry Limited and its subsidiaries.

Forward-Looking Statements

Statements in this management discussion and analysis and financial review, to the extent that they are not based on historical events, constitute forward-looking statements. These statements appear in a number of different places in this report and include statements regarding the intent, belief or current expectations of the Company and its directors or officers, primarily with respect to the future market size and future operating performance of the Company and its subsidiaries. Forward-looking statements include, without limitation, statements regarding the outlook for future operations, forecasts of future costs and expenditures, evaluation of market conditions, the outcome of legal proceedings, the adequacy of reserves, or other business plans. Investors are cautioned that any such forward-looking statements are not guarantees and involve risks and uncertainties, and that actual results may differ from those in the forward-looking statements as a result of various factors such as general economic and business conditions, including changes in interest rates, prices and other economic conditions; actions by competitors; natural phenomena; actions by government authorities, including changes in government regulation; uncertainties associated with legal proceedings; technological development; future decisions by management in response to changing conditions; the ability to execute prospective business plans; and misjudgments in the course of preparing forward-looking statements. Investors are advised that these cautionary remarks expressly qualify in their entirety all forward-looking statements attributable to the Company or persons acting on its behalf contained in this management discussion and analysis and financial review. We note that additional risks not presently known to us or that we may currently deem immaterial may also impair our business and operations. We do not assume any obligation to update any forward-looking statements other than as required by applicable law.

The Company

Chinook Tyee is domiciled in British Columbia, Canada with its Registered Office located at 1000, 925 West Georgia Street, Vancouver, BC V6C 3L2. The Company's common shares trade on the NEX, which is a separate board of the TSX Venture Exchange, under the trading symbol "XCX.H".

The Company is seeking to identify and evaluate potential businesses with a view to completing a change of business under the policies of the TSX Venture Exchange.

Following the sale of its last operating subsidiary during fiscal 2011, the Company ceased to carry business in the railroad industry and initiated the voluntary winding-up of the Company, which was approved by shareholders at a special meeting held on August 30, 2011. The Company paid dividends to shareholders of $15,264,065 or $1.00 per common share on November 2, 2011 and $6,105,626 or $0.40 per common share on May 14, 2012.

On January 31, 2013, at a special meeting of the Company's shareholders, the shareholders passed special resolutions to revoke the Certificate of Intent to Dissolve issued to the Company by the Registrar of Corporations of Alberta and to continue the Company from the jurisdiction of Alberta to the jurisdiction of British Columbia. On April 16, 2013, the Company received a Certificate of Continuance to British Columbia from the jurisdiction of Alberta where it was originally incorporated on January 30, 1997.

On August 8, 2013, at an annual general and special meeting of the Company's shareholders, the shareholders passed a resolution to consolidate all of the Company's issued Class A Voting Common Shares on the basis of four (4) pre-consolidation Common Shares being consolidated into one (1) Common Share. As of August 8, 2013, the Company had 3,472,741 common shares issued and outstanding.

On August 13, 2013, the Company's directors approved a resolution to change the name of the Company to Chinook Tyee Industry Limited.

Accounting Policies

Statement of compliance
These consolidated interim financial statements are unaudited and have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting". These consolidated interim financial statements do not include all of the information required for annual financial statements.

These consolidated interim financial statements have been prepared following the same accounting policies and methods of computation as the consolidated financial statements of the Company for the year ended December 31, 2012. The disclosures provided below are incremental to those included with the annual consolidated financial statements and certain disclosures, which are normally required to be included in the notes to the annual consolidated financial statements, have been condensed or omitted. These consolidated interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto in the Company's annual consolidated financial statements for the year ended December 31, 2012.

These unaudited consolidated financial statements were approved by the Company's Board of Directors on November 28, 2013.

Basis of preparation
These consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except for financial instruments which are measured at fair value.

Basis of consolidation
The consolidated financial statements include the accounts of Chinook Tyee Industry Limited (formerly Global Railway Industries Ltd.) and its 54% owned subsidiary, Boreal Taiga Biofuels Limited ("**BTBL**") and BTBL's wholly-owned subsidiary, BT Biofuels Europe GmbH ("**BTBE**").

Non-controlling interests represent equity interests in subsidiaries owned by outside parties. The share of net assets and changes in net assets of subsidiaries attributable to non-controlling interests are presented as a component of equity. Changes in the parent company's ownership interest in subsidiaries that do not result in a loss of control are accounted for as acquisition or disposal transactions.

All intercompany balances and any unrealized gains and losses or income and expenses arising from intercompany transactions are eliminated in preparing the consolidated financial statements.

Functional and presentation currency
These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency.

Financial Instruments

Fair value
The Company's financial instruments consist of cash, short-term investments, receivables and trade and other payables. As at September 30, 2013 and December 31, 2012, the fair value of these financial instruments approximates their carrying value due to the relatively short periods to maturity of the instruments.

Risks and Uncertainties

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company's credit risk associated with cash and short-term investments is minimized by ensuring these financial assets are invested with highly rated financial institutions.

The Company also has credit risk attributable to its receivables. The amounts disclosed in the Condensed Consolidated Statement of Financial Position are net of allowances for impairment, estimated based on prior experience.

Currency risk
The Company holds cash in Canadian, EUR and US currencies and makes investments in foreign companies, equities and financial instruments. Accordingly, there is risk of losses from volatility in foreign currency fluctuations.

The Company's controlling interest in BTBL is subject to foreign currency risk, which may adversely affect the Company's financial position, results of operations and cash flows.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes in market interest rates. The Company's variable rate financial assets are comprised of short-term investments. The Company's loans receivable have fixed interest rates and are not affected by changes in interest rates and the Company's loan payable bears no interest and is not affected by changes in interest rates.

Liquidity risk
Liquidity risk is the risk that the Company will not have sufficient cash resources to meet financial obligations as they fall due. The Company manages liquidity risk through management of its capital structure as outlined in Note 11 to the unaudited Condensed Consolidated Financial Statements.

Selected Financial Data
The following selected financial data as reported by the Company for the past eight business quarters have been summarized from the Company's unaudited condensed consolidated interim financial statements and are qualified in their entirety by reference to, and should be read in conjunction with, such financial statements.

	2013			2012				2011
	(In thousands, except per share amounts)							
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenue	$ 264	$ 11	$ 12	$ -	$ -	$ -	$ -	$ -
Earnings (loss) attributable to owners	$ 159	$ (137)	$ (152)	$ (192)	$ (248)	$ (135)	$ (131)	$ (352)
Earnings (loss) per share attributable to owners basic and diluted	$ 0.01	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.02)

Xanthus Group
Xanthus Holdings PLC and its wholly-owned subsidiaries including, Xanthus SPEC 1 Limited, are collectively referred to as "Xanthus Group".

During the quarter ended September 30, 2013, the Company purchased a controlling ownership in BTBL through the acquisition of equity and debt. BTBL has invested in the restructuring of Xanthus Group, which is listed on the Entry Standard of the Frankfurt Stock Exchange and on Xetra under the trading symbol "XNH".

Through its subsidiary holdings, BTBL holds a secured loan outstanding to Xanthus Group for $208,860 (EUR 150,000) and jointly owns and equally financed Asiamerica. Asiamerica purchased a 50% interest in DYVA Holdings AG, the holding company that owns the controlling interest in the Xanthus Group. There has been no material equity gain or loss from acquisition to date.

The non-controlling shareholder in BTBL holds an equal shareholding in Asiamerica and participated equally in the mezzanine loan financing of the jointly-controlled investee company.

Mezzanine loans are provided as part of the initial capitalization of a company, versus equity, and are long-term in duration.

Liquidity and Capital Resources
The Company's principal sources of funds are its available cash resources and public financing. The Company's recurring cash requirements include general and administrative and regulatory and shareholder communication expenses. As at September 30, 2013, the Company's debt consisted of trade and other payables of $96,753.

As of September 30, 2013, cash increased to $1,247,758 compared to $650,969 for the period ended December 31, 2012, due largely from the sale of short-term investments to cash. The Company defines short-term investments as interest-bearing securities with maturities at purchase date of more than three months, but less than one year. Additional sources of liquidity at September 30, 2013, included $1,523,472 in short-term investments, receivables of $127,010 and prepaid expenses of $101,344. Prepaid expenses predominantly include director and officer insurance to former directors who resigned during fiscal 2012 and directors' fees for current independent directors. Total current assets as at September 30, 2013 declined to $3.9 million compared to $4.2 million for the comparative period due largely to the repurchase and cancellation of common shares at a cost of $315,813 during the reported period. The Company reported total assets of $3,964,566 as of September 30, 2013 compared to $4,219,576 for the comparative period.

For the reported period ending September 30, 2013, the Company generated cash of $596,789 from operations, investing and financing activities. Cash flow from operations used $372,463, predominantly from the reported loss for the period of $131,349 and adjustments for changes in non-cash working capital items of $417,053. Investing activities generated cash of $1,070,496 predominately from proceeds from sale of short-term investments deposits to cash. Financing activities for the reported period used cash of $101,244 and included the repurchase and cancellation of shares for $315,813 and increase in loan payables of $214,569. The loan payable represents BTBL's minority shareholder's interest in BTBL's mezzanine loan financing.

Total equity declined to $3.7 million as of September 30, 2013 compared to $3.9 million for the comparative period due largely to the repurchase and cancellation of shares during the reported period. As at September 30, 2013, the Company did not have any off-balance sheet financial arrangements.

Operating Results

For the nine months ended September 30, 2013

The following analysis of the Company's operating results for the nine months ended September 30, 2013, includes a comparison to the corresponding comparative period for the nine months ending September 30, 2012.

For the nine months ending September 30, 2013, the Company reported other income of $254,985 and interest income of $31,902 for total revenues of $286,887 compared to total revenues of $64,386 for the corresponding comparative period. During the nine months ending September 30, 2013, tax payable in the amount of $254,985 was reversed and taken into income, as any indemnification obligations related to the taxes payable had expired.

Operating expenses decreased slightly to $418,226 for the nine months ending September 30, 2013 compared to $594,823 for the corresponding comparative period and included general and administrative costs of $342,740, regulatory and shareholder communications of $34,396 and independent directors' fees of $40,000. General and administrative costs included professional fees of $213,935, rent and insurance of $46,069, salaries and benefits of $42,168 and office and supplies of $40,568. Professional fees included $60,750 for management services provided by a company owned by the Company's former acting President and Chief Executive Officer. The management service contract has been cancelled. No management fees, salaries or stock options have been paid or received by the current management since their appointment other than $23,535 to the Chief Financial Officer for accounting services provided during the reported period.

The comprehensive loss for the nine months ending September 30, 2013 was $119,766 compared to $513,498 for the corresponding comparative period. Basic and diluted loss per common share was $0.01 and $0.03 for the respective periods.

For the three months ended September 30, 2013

The following analysis of the Company's operating results for the three months ended September 30, 2013, includes a comparison to the corresponding comparative period for the three months ending September 30, 2012.

For the three months ending September 30, 2013, the Company reported other income of $254,985 and interest income of $8,730 for total revenues of $263,715 compared to total interest income of $13,263 for the corresponding comparative period.

Operating expenses totaled $105,831 for the three months ending September 30, 2013 compared to $278,069 for the comparative period and included independent directors' fees of $20,500, general and administrative costs of $72,556, and regulatory and shareholder communications of $12,769.

The comprehensive income or loss for the three months ending September 30, 2013 was income of $169,467 compared to a loss of $247,867 for the corresponding comparative period. Basic and diluted income or loss per common share was income of $0.01 and a loss of $0.02, for the respective periods.

Contractual Obligations

As at September 30, 2013, the Company had no lease commitments.

Disclosure of Outstanding Share Data

At September 30, 2013, the Company had 3,472,741 common shares and no share options outstanding.

During the nine months ended September 30, 2013, the Company consolidated its shares outstanding on the basis of four pre-consolidation common shares for one consolidated common share and repurchased and cancelled 1,373,100 common shares for $315,813.

Related Party Transactions

During the nine months ended September 30, 2013, the Company entered into the following related party transactions:

(a) Paid or accrued fees of $40,000 (2012 - $48,173) to non-executive directors of the Company.

(b) Paid $60,750 (2012 - $135,000) for management services provided by a company owned by the Company's former acting President and former Chief Executive Officer. The management service contract was cancelled during the year.

(c) Paid or accrued fees of $23,535 (2012 – $Nil) to the Chief Financial Officer of the Company.

(d) Purchased a controlling interest in BTBL through the acquisition of equity and debt for $529,000 from North Group Finance Limited, which owns 39% of the Company; see note 5 in notes to the unaudited condensed consolidated interim financial statements.

Management Assessment of Internal Controls

During the most recent interim quarter ending September 30, 2013, there have not been changes in the design of the Company's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Subsequent Events

Subsequent to quarter end, the Company entered into a workout loan agreement with DYVA, whereby the Company will make available to DYVA a revolving credit facility in the amount of EUR 700,000. Any funds drawn will bear interest at 8.5% per annum. The workout loan is secured by a controlling 55% shareholding in the Xanthus Group (refer to note 5 in notes to the unaudited condensed consolidated interim financial statements).

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