Management's Discussion and Analysis of Financial Condition and Results of Operations as at April 30, 2015.

The following is management's discussion and analysis ("MD&A") of Chinook Tyee Industry Limited's (the "Company" or "Chinook") financial condition and results of operations for the year ended December 31, 2014 and should be read in conjunction with the audited consolidated financial statements and related notes for the same reporting period. The MD&A will also outline the economic operating conditions and how these influence Chinook Tyee Industry Limited's business activities.

All references herein refer to the audited consolidated financial statements and related notes for the year ended December 31, 2014 and except where otherwise indicated, all financial information is expressed in Canadian dollars ("$"). Unless otherwise indicated, reference to the "Company" or "Chinook" means Chinook Tyee Industry Limited and its subsidiaries. The financial year is the calendar year. Reference to a "fiscal year" means the Company's year commencing on January 1st of that year and ending on December 31st of that year. For example, fiscal 2014, means the period beginning January 1st, 2014 and ending December 31st, 2014. Reference to "reported quarter" means the three calendar months commencing on October 1st of that year and ending on December 31st of that year. In addition, reference will be made to "Notes", which refers to the Notes to the Consolidated Financial Statements. References to Statements of "Financial Position", "Income or Loss" and "Cash Flows, refers to Consolidated Statements of Financial Position, Comprehensive Income (Loss) and Cash Flows, respectively.

The Company files reports and other information on the System for Electronic Document Analysis and Retrieval ("SEDAR") in Canada at www.sedar.com. The Company's website is www.chinooktyee.com

Forward-Looking Statements

This document contains forward-looking statements. The Company's representatives may also make forward-looking statements orally from time to time.

Statements in this document that are not historical facts, including statements about the Company's beliefs and expectations, recent business and economic trends constitute forward-looking statements. Forward-looking statements include, without limitation, statements regarding the outlook for future operations, forecasts of future revenue and expenditures, market conditions, specifically the Canadian and German stock markets, or other business plans. Forward-looking statements include statements regarding the intent, belief or current expectations of the Company, primarily with respect to the results of operations, financial position or cash flows of the Company.

The statements are based on current plans, estimates and projections, and are subject to change. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement and the Company undertakes no obligation to update publicly any changes in light of new information or future events.

Shareholders and potential 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 particularly in North America and Europe, including changes in interest rates, actions by government authorities in Canada, Germany or the European Union, including changes in government regulation; political conditions in Europe and future decisions by the Company's directors or officers in response to changing conditions; the ability to execute prospective business plans; and misjudgments in the course of preparing forward-looking statements.

Material factors and assumptions underlying the Company's expectations regarding forward-looking statements include, among others: the ability of the Company to obtain financing on acceptable terms; that the Company will be able to maintain appropriate levels of liquidity in order to make investments when attractive opportunities arise; stability in the global economic environment particularly in Canada and Germany and broadly in regard to North America and the European Union, and Canadian and German interest rates; and that interest rates and foreign exchange rates, particularly in regard to the Canadian dollar and Euro, will not vary materially from current levels.

Shareholders and potential 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 MD&A.

The Company will review its forward-looking statement when it files its first quarter financial results for the three months ending March 31, 2015.

This forward-looking statement dated April 30, 2015, references CSA Staff Notice 51-330 Guidance regarding the Application of Forward-Looking Information Requirements under National Instrument 51-102 Continuous Disclosure Obligations dated November 20, 2009.

Accounting Policy
Financial information for 2014 and 2013 presented and discussed in this MD&A is prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") (see Note 2, "Basis of Presentation").

The Company prepares consolidated financial statements which, in addition to Chinook as operating parent company, incorporates all material subsidiaries in which the Company is deemed to have control or influence over (IFRS 10) which includes Mercury Partners & Company plc ("MPC") and its subsidiary which is accounted for using the equity method (see Note 3, "Significant Accounting Policies" and Note 5, "Investment Loans Receivable").

Overall Performance
Chinook is a financial service company with cash assets of $980,827 and investments in loans totaling approximately, $2.6 million, which represents the Company's investment in the workout of Xanthus Holdings plc ("Xanthus"), a listed German private equity hedge fund (see, "Note 5, Investment Loans Receivable"). The aforementioned investment represents approximately 98% of the Company's total assets (see "Statements of Financial Position").

During the year, Chinook changed its business from inactive to investment issuer and listed its shares to trade on the TSX Venture Exchange ("TSXV") in Canada. The Company is a reporting issuer in the following Canadian provinces: British Columbia, Alberta, Ontario and Québec.

In addition, Chinook reorganized how it held its European investments, resulting in Chinook owning 99% of MPC. MPC and its investment partner equally own collateralized, interest-bearing loans secured with first collateral claims on a controlling shareholding in Xanthus and a minority shareholding in Incity Immobilien AG, a German real estate development company, both of which are listed on the Entry Standard of the Frankfurt Stock Exchange in Germany. The reorganization involved Chinook selling its associated loans and shareholdings in its old holding structure to MPC for a $2,570,209 investment loan receivable (see Note 5, "Investment Loans Receivable"). The reorganization did not involve the movement of cash, but did result in an accounting gain on sale of subsidiary of $706,312 and other accounting adjustments due to accounting reporting standards. (see "Statements of Comprehensive Loss" and Note 5, "Investment Loans Receivable"). The aforementioned is herein referred to as the "Chinook Reorganization".

The status of the equity markets in Canada and Germany, in particular the TSXV and the Frankfurt Stock Exchange, may affect the financial performance of the Company. In addition, as the Company holds cash in Canadian dollars and Euros, high annual inflation in Canada or in the European Union may affect the financial performance and condition of the Company. A portion of the Company's assets also have an economic interest in Germany, therefore the fluctuation in the price between the Canadian dollar and Euro may affect financial performance. Generally, the economic health of the economies of Canada, Germany and the European Union may affect the financial performance of the Company. Generally, the status of the real estate property markets in Germany and in particular Dusseldorf, Germany, may affect the financial position of the Company (see Note 13, "Capital Management" and Note 14, "Financial Instruments").

Selected Annual Information
The following table summarizes selected consolidated financial data for the Company. The information in this table was extracted from the more detailed consolidated financial statements and related notes included herein and should be read in conjunction with such financial statements.

		2014		2013		2012
Revenue	$	202,990	$	69,002	$	74,458
Income (loss) for the period attributable to owners	$	408,871	$	(337,782)	$	(706,456)
Net income (loss) per share attributable to owners	$	0.12	$	(0.10)	$	(0.19)
Diluted	$	0.12	$	(0.10)	$	(0.19)
Total assets	$	3,625,188	$	3,880,573	$	4,219,576

Summary of Quarterly Results

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

	2014				2013			
	(In thousands, except per share amounts)							
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	$ 109	$ 35	$ 30	$ 29	$ 37	$ 9	$ 11	$ 12
Income (loss) attributable to owners	$ 665	$ (152)	$ (94)	$ (10)	$ (208)	$ 159	$ (137)	$ (152)
Income (loss) per share attributable to owners basic and diluted	$ 0.19	$ (0.04)	$ (0.03)	$ -	$ (0.06)	$ 0.04	$ (0.04)	$ (0.04)

Liquidity and Capital Resources

The Company's principal assets as of December 31, 2014, included cash and short-term deposits of approximately $980,827 and an investment loan receivable of $2.6 million (see "Consolidated Statements of Financial Position" and Note 5, "Investment Loans Receivable"). The Company reported accounts receivable of $58,459 in the reported period which predominately includes prepaid expenses for premiums for directors and officers insurance for former board members who resigned during fiscal 2012 (see Note 4, "Accounts Receivable and Prepaid Expenses").

The Company's principal source of funds available are its available cash and public financing. The Company believes it has sufficient cash to maintain its liquidity and does not anticipate any major expenditures or use of funds during 2015 (see Note 13, "Capital Management").

The Company's recurring cash requirements include public company expenses such as regulatory, shareholder communication, corporate governance expenses and some general and administration expenses (see, "Statements of Comprehensive Loss" and Note 10, "General and Administration Expenses").

The statement of cash flows shows the structure of and changes in each cash and cash equivalent for the fiscal year ended December 31, 2014. It is broken down into operating activities, investing activities and financing activities. The Company classifies cash and short-term deposits as Level 1 in fair value (see Note 14, "Financial Instruments"). During the reported period, the Company used $298,712 of cash during the reported period to hold $98,219 at year end. Cash was used to repurchase and cancel odd-lot shareholdings from shareholders and accounted for in financing activities, investment in loans receivable and payment of operating expenses. The Chinook Reorganization reported accounting adjustments affecting cash in operating and investing activities which has limited informative information (see Note5, "Investment Loans Receivable"). Other than the aforementioned, other uses and generation of cash flows from operating and investing activities did not materially affect cash flows during the reported period (see "Statements of Cash Flows").

Total assets declined by approximately the change in cash during the reported period to $3,625,188 at year end. Shareholder equity increased modestly to $3,563,114 compared to the corresponding comparative period and the reduction of liabilities is due to accounting adjustments related to the Chinook Reorganization.

As at December 31, 2014, the Company's total debt was trade and other payables of $62,074 (see Note 7, "Trade and Other Payables").

Summary of Reported Period Results

For the year ended December 31, 2014

The following analysis of the Company's operating results for the fiscal year ended December 31, 2014, includes a comparison to the corresponding, comparative year ended December 31, 2013 (see "Statements of Comprehensive Loss").

Income, which was basically generated from interest and merchant banking income which includes loan and consulting fees increased to $202,990 compared to $69,002 for the corresponding comparative period due to increased investment in loans receivables.

Expenses decreased to $487,830 in the reported period compared to $683,183 for the corresponding comparative period. General and administration expenses, which include costs at the parent and subsidiary level totaled $405,328 and included professional fees of $180,850, office and supplies of $111,355, rent and insurance of $44,893 and salaries and benefits of $68,230 (see Note 10, "General and Administration Expenses"). The Company anticipates general and administration expenses will decrease as a result of the Chinook Restructuring.

Expenses associated with operating a public company totaling $43,367, remained generally unchanged while corporate governance expenses fell slightly to $39,000 when compared to the corresponding comparative periods.

The Company reported income of $389,130 compared to a loss of $319,281 for the corresponding comparative period due largely to the gain on the sale of a subsidiary of $706,312 which is an accounting gain resulting from the Chinook Reorganization. Basic and diluted income per common share attributable to owners was $0.12 and a loss of $0.10 for the respective periods.

Summary of Reported Quarter Results
For the three months ending December 31, 2014

The following analysis of the Company's operating results for the three months ended December 31st, 2014, includes a comparison against the previously completed three months ended December 31, 2013.

Income from interest and merchant banking income totaled $108,878 compared to $37,100 while general and administration costs totaled $140,242, compared to $247,732 for the corresponding comparative period. Income attributable to owners for the reported quarter was $665,129, compared to a loss of $207,809 in corresponding period, while basic and diluted gain per common share attributable to owners was $0.19 compared to a loss of $0.06, respectively for the reported quarter.

Disclosure of Outstanding Share Data
The Company has 3,405,932 shares outstanding as at April 30, 2015. No dilutive securities were either granted or issued during fiscal 2014 (see Note 9, "Capital and Other Components of Equity").

During 2014, the Company repurchased and cancelled 66,809 common shares for $27,393.

During 2013, the Company consolidated shares on the basis of four pre-consolidation shares being consolidated into one and repurchased and cancelled 343,275 common shares for $315,813.

Transactions Between Related Parties
Based on the accounting policies and definitions followed by Chinook, the parent company has a related party relationship with its subsidiaries. Chinook also has a related party relationship with North Group Finance Limited ("NGL") who holds more than 10% of the Company's shares. In addition, management and director compensation are regarded as related party transactions. Accordingly, during the years ended December 31, 2014 and December 31s 2013, the Company entered into the following related party transactions (see Note 12, "Related Party Transactions").

In regard to management and director compensation, the Company paid independent directors board meeting and service fees of $39,000 (2013 - $49,000) and paid or accrued accounting fees of $44,875 (2013 - $48,135) to its Chief Financial Officer's consulting company. During 2013, the Company also paid $60,750 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 in 2013.

In regard to the parent and subsidiary relationship, during fiscal 2013, the Company purchased a controlling interest in a subsidiary company from NGL for $529,000.

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