Mezzi Holdings Inc. (formerly CCT CAPITAL LTD.)

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE SIX MONTHS ENDED OCTOBER 31, 2014

(Expressed in Canadian Dollars)

This Management Discussion and Analysis ("MD&A") of Mezzi holdings Inc., formerly CCT Capital Ltd., (the "Company") provides analysis of the Company's financial results for the six months ended October 31, 2014 and should be read in conjunction with the accompanying unaudited condensed interim financial statements for the six months ended October 31, 2014 and audited annual financial statements and notes thereto for the year ended April 30, 2014 which are available on SEDAR at www.sedar.com. This MD&A is current as at December 30, 2014.

The unaudited condensed interim financial statements for the six months ended October 31, 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements. All amounts are expressed in Canadian dollars, unless otherwise stated.

FORWARD-LOOKING INFORMATION

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

This MD&A may contain forward-looking statements that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

NATURE OF BUSINESS

The Company is a publicly listed company incorporated on April 16, 2006 under the Business Corporations Act (British Colombia). The Company is engaged in the sale and distribution of luxury accessories.

On October 24, 2014, the Company completed the acquisition (the "Acquisition") of the privately held Mezzi Canada Inc. ("Privco"), pursuant to a three-party amalgamation under the *Canada Business Corporations Act* in which Privco amalgamated with a wholly-owned subsidiary of the Company. On closing of the Acquisition, the amalgamated entity became a wholly owned subsidiary of the Company. The Company trades on the TSX Venture Exchange under the symbol "MZI."

The Company is in the business of producing, developing and marketing luxury leather products, marketed under the brand name "Mezzi". The "Mezzi" brand is a smart luxury brand, integrating technology with the final manufactured product. Each piece, including handbags, duffel bags and essential leather goods, allows wireless connectivity between the piece and a smart phone. Wireless connectivity functions include GPS functionality with additional functions being built into a soon to be released smart phone app, allowing greater convenience, security and functionality for users.

The Company has re-launched a new product line of luxury luggage pieces under the "Mezzi" name, and is now actively in the business of marketing and selling these products. Additional information regarding the Company's ongoing business operations is available on the Company's website at www.mezzi.com.

(Expressed in Canadian Dollars)

GENERAL

On October 24, 2014, the Company completed the Acquisition of Privco. On closing of the Acquisition, Privco amalgamated with 8918627 Canada Inc., a wholly owned subsidiary of the Company, such that the amalgamated entity became a wholly owned subsidiary of the Company. In consideration of the Acquisition, the Company issued an aggregate of 6,000,000 common shares, valued at $1,200,000, to the shareholders of Privco. This transaction is treated as an asset acquisition of the "Mezzi" trademark and technology. The total purchase price of $1,200,000 has been allocated as follows:

Receivables	$	88,533
Intangible assets		1,258,319
Trade payable and accrued liabilities		(21,852)
Loan payable		(125,000)
Purchase price	$	1,200,000

In addition, and as a condition to closing of the Acquisition, the Company issued 93,800 common shares in settlement of certain existing indebtedness of the Company.

The Acquisition constitutes a change of business for the Company, under the policies of the TSX Venture Exchange. As a result, readers are cautioned that historical financial information is not directly comparable to the current period expenditures.

CHANGES IN MANAGEMENT AND BOARD

On June 4, 2014, the Company announced the appointment of Mr. Robert Withers to its Board of Directors. Mr. Withers is presently a managing partner at Whytecliff Capital Partners Inc., a private equity advisory firm..

On June 4, 2014, the Company announced that Mr. Leonard Dennis had stepped down from its Board of Directors.

On June 25, 2014, the Company announced the appointment of Mr. Raif Adelberg to its Board of Directors. Formerly a designer for Herschel Supply Co., Mr. Adelberg was ranked as one of the up-and-coming designers in the world by GQ magazine. Mr. Adelberg currently serves in the position of President of the Company.

On June 25, 2014, the Company announced that Ms. Kim Evans and Ms. Michele Pillon had stepped down from its Board of Directors.

On July 8, 2014, the Company announced the appointment of Mr. Gary Floyd to its Board of Directors. Mr. Floyd is a partner in the Vancouver office of a national law firm.

On September 16, 2014, the Company announced the appointment of Mr. Keir Reynolds, interim chairman and director of the Company, as the CEO of the Company.

On September 16, 2014, the Company announced that Mr. Warwick Smith had resigned as the CEO of the Company.

On November 13, 2014, the Company announced the appointment of Kelly Cutrone, founder of leading NY-based fashion PR firm People's Revolution, to its advisory board which will operate independently of the board and management to provide input and advice on the development of the Company's fashion and technology business.

On November 26, 2014, the Company announced that Mr. Alnesh Mohan had stepped down as Chief Financial Officer of the Company.

(Expressed in Canadian Dollars)

On November 26, 2014, the Company announced the appointment of Mr. Cyrus Driver as the Chief Financial Officer of the Company. Mr. Driver is a partner with Davidson and Company LLP, an accounting firm.

RESULTS FROM OPERATIONS

Selected Annual Information

	For the years ended		
	April 30, 2014	April 30, 2013	April 30, 2012
Total revenues	$ -	$ -	$ -
Net loss	174,778	68,049	100,731
Basic and diluted net loss per share	$ 0.06	$ 0.03	$ 0.03

As at:	April 30, 2014	April 30, 2013	April 30, 2012
Total assets	$ 602,725	$ 21,760	$ 43,759
Total non current liabilities	-	-	-

Summary of Quarterly Results

Selected financial information for the eight most recently completed quarters is as follows:

	Interest Income	Earnings/ (Loss)	Basic and Diluted Loss/Share
October 31, 2014	$ -	$ (813,494)	$ (0.03)
July 31, 2014	$ -	$ (936,121)	$ (0.04)
April 30, 2014	$ -	$ (123,496)	$ (0.04)
January 31, 2014	$ -	$ (19,735)	$ (0.01)
October 31, 2013	$ -	$ (14,555)	$ (0.01)
July 31, 2013	$ -	$ (16,992)	$ (0.00)
April 30, 2013	$ -	$ (22,093)	$ (0.01)
January 31, 2013	$ -	$ (16,024)	$ (0.01)

No cash dividends have been declared or paid since the date of incorporation and the Company has no present intention of paying dividends on its common shares. The Company anticipates that all available funds will be invested to finance the growth of its business.

As the Company has undergone a change of business, readers are cautioned that historical financial information is not directly comparable to the current period expenditures.

Three months ended October 31, 2014 compared with three months ended October 31, 2013

During the three month period ended October 31, 2014, the Company's net losses were $813,494 compared to $14,555 for the three month period ended October 31, 2013. The increase in net losses for the three month period ended October 31, 2014 was primarily a result of the change in direction of the Company as it completed the acquisition of Privco and commenced operations and completed its listing on the TSX Venture Exchange.

Management fees during the three month period ended October 31, 2014 were $207,250 compared to $nil for the three month period ended October 31, 2013. The increase in management fees was primarily the result of the Company retaining professional management and advisors, to operate and advise on the business of Privco. The Company has since reduced its management compensation given the resignation of its former officers and directors.

Marketing fees for the three months ended October 31, 2014 were $119,322 compared to $nil for the three months ended October 31, 2013. This increase is primarily the result of amounts paid to celebrity brand ambassadors as the Company continues to develop and market its brand.

Share-based payments for the three months ended October 31, 2014 were $308,803 compared to $nil for the three months ended October 31, 2013. This increase is primarily the result of options granted and vested during the period and a corresponding recognition of the related expense. During the three months ended October 31, 2014, the Company granted 1,965,000 five-year options with an exercise price of $0.25 to the Company's officers, directors and consultants. All options granted vested immediately on the date of grant. No such options were granted during the three months ended October 31, 2013.

Product development costs for the three months ended October 31, 2014 were $45,646 compared to $nil for the three months ended October 31, 2013. This increase is primarily the result of prototyping costs of $11,948 and product design and development costs of $33,698,

Six months ended October 31, 2014 compared with six months ended October 31, 2013

During the six month period ended October 31, 2014, the Company's net losses were $1,750,615 compared to $31,547 for the six month period ended October 31, 2013. The increase in net losses for the six month period ended October 31, 2014 was primarily a result of the change in direction of the Company as it completed the acquisition of Privco and commenced operations and completed its listing on the TSX Venture Exchange.

Management fees during the six month period ended October 31, 2014 were $609,750 compared to $nil for the six month period ended October 31, 2013. During the six months ended October 31, 2014, the Company paid $358,500 management fees to its officers, directors, and former officers for services and $251,250 in bonus payments (See "Related Party Transactions" for details). In turn, these Company Executives exercised 1,320,000 stock options for gross proceeds to the Company of $330,000. The Company has since reduced its management compensation given the resignation of its former officers and directors.

Share-based payments for the six months ended October 31, 2014 were $537,776 compared to $nil for the six months ended October 31, 2013. This increase is primarily the result of options granted and vested during the period and a corresponding recognition of the related expense. During the six months ended October 31, 2014, the Company granted 3,565,000 five-year options with an exercise price of $0.25 to the Company's officers, directors and consultants. All options granted vested immediately on the date of grant. No such options were granted during the six months ended October 31, 2013.

Marketing fees for the six months ended October 31, 2014 were $164,500 compared to $nil for the six months ended October 31, 2013. This increase is primarily the result of amounts paid to celebrity brand ambassadors and marketing professionals as the Company continues to develop and market its brand.

Product development costs for the six months ended October 31, 2014 were $45,646 compared to $nil for the six months ended October 31, 2013. This increase is primarily the result of prototyping costs of $11,948 and product design and development costs of $33,698,

LIQUIDITY AND CAPITAL RESOURCES

LIQUDITY

The Company has yet to derive any revenues from operations and has no material income from operations.

To date, the Company's sole source of funding has been the issuance of equity securities for cash. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity financing, or that such access will be timely and in the amounts necessary to fund the Company's activities. There are many conditions beyond the Company's control which have a direct bearing on the level of investor interest in the purchase of Company securities.

As at October 31, 2014, the Company had working capital of $2,230,731, as compared to $415,072 at April 30, 2014.

During the six months ended October 31, 2014, the Company experienced cash outflows of $1,633,857 from operating activities as compared to $8,469 in the comparative period. The increase was primarily due to increased general and administrative expenditures of a new management team, marketing and design, prototyping and development of the "Mezzi" brand and the purchase and production of inventories..

During the six months ended October 31, 2014, the Company experienced cash outflows of $60,049 from investing activities as compared to $nil in the comparative period. The cash outflow was for the development of the Company's website, software, and mobile app.

During the six months ended October 31, 2014, the Company experienced cash inflows from financing activities of $3,102,896 as compared to $nil in the comparative period. The cash inflow was from gross proceeds of $2,956,637 from private placements, net against $183,741 in share issuance costs, and proceeds from the exercise of stock options of $330,000.

CAPITAL RESOURCES

The Company has no long-term debt, cash of $1,947,611 and 38,218,653 common shares issued and outstanding as at October 31, 2014.

The Company does not currently have any commitments. The Company has sufficient capital resources to conduct its operations and meet short-term plans.

In light of the continued uncertainty regarding the global economy, the Company is making an effort to preserve cash used in operations for the compensation of consultants and management , while still developing the overall business of the Company and enhancing shareholder value. A reduction of $26,250 in monthly consulting fees has been achieved as of October 1st, 2014. The ability to raise additional finance may be impaired, or such financing may not be available on favourable terms, due to conditions beyond the control of the Company, such as uncertainty in the capital markets or depressed commodity prices.

The Company has no lines of credit or other sources of financing which have been arranged but as yet unused. The Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to realize future profitable levels of operation or proceeds from the disposition of its business interests. As at October 31, 2014, the Company has no source of operating cash flows and has not yet achieved profitable operations, has accumulated losses since its inception and expects to incur further losses in the development of its business, and has no assurances that sufficient funding, including adequate financing, will be available, all of which casts significant doubt as to the validity of this assumption.

Accordingly, these financial statements do not reflect the adjustments to the carrying values of assets and liabilities, or the impact on the statement of operations and balance sheet classifications that would be necessary were the going concern assumption not appropriate. Such adjustments could be material.

(Expressed in Canadian Dollars)

OUTSTANDING SHARE DATA AS OCTOBER 31, 2014 AND THE DATE OF THIS MD&A

Authorized share capital: Unlimited number of common shares without par value.

Issued share capital as at October 31, 2014: 38,218,653 common shares issued and outstanding

As at the date of this MD&A, the Company had 38,218,653 common shares issued and outstanding, 354,000 warrants and 2,245,000 options outstanding.

Fully diluted shares: 40,817,653

RELATED PARTY TRANSACTIONS

Transactions with related parties and key management personnel are as follows:

	Nature of transactions	Six Months Ended October 31, 2014	Six Months Ended October 31, 2013
Key management personnel:			
A company controlled by the CEO	Management	$ 120,000	$ -
A company controlled by the former CEO	Management	362,500	-
A company controlled by the President	Management/Rent	77,000	-
A company controlled by the former CFO i)	Management/Rent	54,449	-
A former director and a company controlled by a former director of the Company	Consulting	-	20,400
Directors and Officers of the Company	Share-based payments	413,260	-
Total		$ 1,027,209	$ 20,400

i) Subsequent to the quarter ended October 31, 2014, a new CFO was appointed for the Company.

The amounts due to other related parties and key management personnel included in accounts payable and accrued liabilities are as follows:

	October 31, 2014	April 30, 2014
Due to a company controlled by the CEO	$	$ 4,039
Due to a company controlled by the former CFO	6,099	9,344
Due to a company controlled by the President	670	1,530
Due to a firm of which the CFO is a partner	15,000	-
Due to a former director and a company controlled by a former director of the Company	-	69,720
Due to the former CEO and director of the company	-	8,041
	$ 21,769	$ 92,674

RISKS FACTORS

The Company is subject to certain risks and uncertainties that are common in the retail industry and the market environment generally. These risks and uncertainties may impact the Company's ability to successfully execute its key strategies and may affect future events, performance or results. Certain of these risks and uncertainties are described in this MD&A. However, the risks and uncertainties set out in this MD&A are not exhaustive. New risk factors may emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on the Company's business performance, condition, operations or strategies and plans.

Ongoing Need for Financing

It is intended that the Company will continue to make investments to support business growth and may require additional funds to respond to business challenges, including the need to develop new services or enhance existing services, enhance operating infrastructure and acquire complementary businesses and technologies. Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of the Company's shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, additional financing may not be available on favourable terms, if at all. If the Company is unable to obtain adequate financing or financing on terms satisfactory to them, when they require it, their ability to continue to support business growth and to respond to business challenges could be significantly limited.

The Company has a history of net losses, may incur net losses in the future and may not achieve or maintain profitability.

The Company may not be able to achieve or maintain profitability and may continue to incur losses in the future. In addition, it is expected that the Company will continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's revenues do not increase to offset these expected increases in costs and operating expenses, the Company will not be profitable.

If the Company is unable to attract new customers or to sell additional products to its existing customers, the Company's revenue growth will be adversely affected.

To increase the Company's revenues, it must regularly add new customers, sell additional products and / or services to existing customers and encourage existing customers to increase their minimum commitment levels. If the Company's existing and prospective customers do not perceive the Company's products to be of sufficiently high value and quality, the Company may not be able to attract new customers or increase sales to existing customers and its operating results will be adversely affected.

The Company's quarterly results of operations may fluctuate in the future. As a result, the Company may fail to meet or exceed the expectations of securities analysts or investors, which could cause the Company's stock price to decline.

The Company's quarterly results of operations may fluctuate as a result of a variety of factors, many of which are outside of its control. If the Company's quarterly results of operations fall below the expectations of securities analysts or investors, the price of the Company Shares could decline substantially. Fluctuations in quarterly results of operations may be due to a number of factors, including, but not limited to, those listed below:

- the Company's ability to increase sales to existing customers and attract new customers;
- the addition or loss of large customers;
- the amount and timing of operating costs and capital expenditures related to the maintenance and expansion of the Company's business, operations and infrastructure;
- the timing and success of new product introductions by the Company or its competitors;
- changes in the Company's pricing policies or those of competitors;
- limitations of the capacity of the Company's systems;
- the timing of costs related to the development or acquisition of products or businesses
- general economic, industry and market conditions; and
- geopolitical events such as war, threat of war or terrorist actions.

The quarterly revenues and results of operations of the Company may vary significantly in the future and that period-to-period comparisons of the Company's operating results may not be meaningful.

Competition

The Company will compete in a rapidly evolving and highly competitive market. Some of the Company's potential competitors have longer operating histories, greater name recognition, access to larger customer bases and substantially greater resources, including sales and marketing, financial and other resources. As a result, these competitors may be able to:

- absorb costs associated with providing their products at a lower price;
- devote more resources to new customer acquisitions;
- respond to evolving market needs more quickly than the Company; and
- finance more research and development activities to develop better products.

In addition, many of these companies may have pre-existing relationships with the Company's current and potential customers. If the Company is not able to compete successfully against its current and future competitors, it will be difficult to acquire and retain customers, and the Company may experience limited revenue growth, reduced revenues and operating margins and loss of market share.

Failure to effectively expand the Company's sales and marketing capabilities could harm its ability to increase its customer base and achieve broader market acceptance of products.

Increasing the Company's customer base and achieving broader market acceptance of its products will depend to a significant extent on its ability to expand its sales and marketing operations. It is expected that the Company will be substantially dependent on word-of-mouth to obtain new customers. The Company's business will be seriously harmed if these expansion efforts do not generate a corresponding significant increase in revenues.

Reliance on Intellectual Property

The Company will require continuous technological improvements in order to remain competitive. There can be no assurance that the Company will be successful in its efforts in this regard. The commercial advantage of the Company may depend to an extent on its intellectual property and its ability to prevent others from copying its products. In the future, the Company may seek patents or other similar protections in respect of a particular technology or process; however, there can be no assurance that any future patent applications will actually result in issued patents, or that, even if patents are issued, they will be of sufficient scope or strength to provide meaningful protection or any commercial advantage to the Company. Moreover, the process of seeking patent protection can itself be long and expensive. In the meantime, competitors may develop products that are similar or superior to the products of the Company or design around the patents owned by the Company, thereby adversely affecting the Company's competitive advantage in one or more of its businesses. Despite the efforts of the Company, its intellectual property rights may be invalidated, circumvented, challenged, infringed or required to be licensed to others. It cannot be assured that any steps it may take to protect its intellectual property rights and other rights to such proprietary technologies that are central to the Company's operations will prevent misappropriation or infringement of such technologies.

Infringement of Intellectual Property

From time to time the Company may receive notices from third parties alleging that it has infringed their intellectual property rights. Responding to any such claim, regardless of its merit, may be time consuming, result in costly litigation, divert management's attention and resources and cause the Company to incur significant expenses. Any meritorious claim of intellectual property infringement against the Company may potentially result in a temporary or permanent injunction, prohibiting it from marketing or selling certain products or requiring it to pay royalties to a third party. In the event of a meritorious claim, failure of the Company to develop or license substitute technology, its business and results of operations may be materially adversely affected.

Potential Conflicts of Interest

Certain directors or officers of the Company are also directors, officers, shareholders and/or Promoters of other reporting and non-Companies. Such associations may give rise to conflicts of interest from time to time. The directors and officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter. Conflicts of interest, if any, will be subject to, and will be resolved in accordance with, the procedures and remedies under the BCBCA.

Reliance on Others and Key Personnel

The success of the Company will be largely dependent upon the performance of its management and key employees, as well as the talents of its outside consultants and suppliers. The Company may not have any "key man" insurance policies, and therefore there is a risk that the death or departure of any one or more members of management or any key employee could have a material adverse effect on the Company. The Company also faces intense competition for qualified personnel and there can be no assurance that the Company will be able to attract and retain the employees, personnel and/or consultants necessary to successfully carry out its activities.

Cyclical Nature of Luxury Goods Market

The market for luxury goods, in which the Company will operate, is both cyclical and seasonal in nature. There can be no assurance that past operating results will be repeated, and the market itself is susceptible to cyclical trends in fashion which are beyond the control of the Company.

Introduction of New Products

The Company has a number of new products in the prototype stage which it anticipates will be introduced in the future. Detailed costing of these products has not been completed. There can be no assurance that these new products can be brought to market, that they can be produced at a competitive price, or that they are commercially viable.

Celebrity Marketing

The Company intends to rely upon celebrity endorsements to market its products. There can be no assurance that this marketing strategy will be successful, or that the Company will be able to engage celebrities to endorse products.

Trends

The Company’s success is based in large part on its ability to identify and interpret fashion and product trends, as well as to anticipate, gauge and react to changing consumer demands in a timely manner and to successfully market its merchandise. Fashion trends quickly change, which require the Company to correctly identify the fashion trend and balance its inventories. If the Company is unable to identify new fashion trends and adjust its product mix in a timely manner or if market preferences are misjudged, the Company would be faced with significant excess inventories for some products and depleted product inventory resulting in missed opportunities for other products. Additional mark-downs and promotions may be required to reduce excess and slow moving inventories. If the Company experiences either significant inventory shortages or excess inventory that it is unable to sell or sell at reasonable gross margins or is otherwise unable to maintain gross margins on its inventory assortment, this is likely to have a material adverse effect on the Company’s business, financial condition and

FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

(Expressed in Canadian Dollars)

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liabilities either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The Company's primary financial instruments are classified as follows:

Financial instruments	Classifications
Cash	FVTPL
Loan receivable	LAR
Accounts payable and accrued liabilities	OFL

The fair value of these assets and liabilities approximates their respective carrying amounts due to their short term nature. The Company does not currently hold any financial instruments that would be included in the classification of available-for-sale.

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

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss to the Company by failing to meet its obligations. The Company's financial instruments that are exposed to concentrations of credit risk are primarily cash and accounts receivable. The Company limits its exposure to credit risk with respect to cash by holding it with major Canadian financial institutions. The Company's accounts receivable consists of GST receivables and a credit held with Trade Exchange Canada, Western Canada's largest trade exchange system, which allows the Company to barter for goods and services with other vendors.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2014, the Company had a cash balance of $1,947,611 (April 30, 2014 – $538,621) to settle current liabilities of $123,290 (April 30, 2014 – $162,653). All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity and equity prices.

a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company is satisfied with the credit ratings of its banks. As of October 31, 2014, the Company did not hold any investments. The Company believes it has no significant interest rate risk.

b) Foreign currency risk

As at October 31, 2014, the Company has a minimal balance of cash in US dollars and does not believe that the foreign currency risk related to the balance is significant.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

New accounting pronouncements

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements. The Company plans to adopt these standards as soon as they become effective for the Company's reporting period.

- New standard IFRS 9, *Financial Instruments*, classification and measurement is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, "*Financial Instruments: Recognition and Measurement*." IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit and loss. This standard is effective for annual periods beginning on or after January 1, 2018.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that are likely to have or are reasonably likely to have a material current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that have not been disclosed in the Company's financial statements.

OTHER INFORMATION

Other information relating to the Company may be found on SEDAR at www.sedar.com.