

**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE THREE MONTHS ENDED JANUARY 31, 2013**

FORM 51-102F1

Date and Subject of Report

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Auxellence Health Corporation (formerly 0924888 BC Ltd. or "0924888BC") ("Auxellence" or the "Company") for the three months ended January 31, 2013. The MD&A should be read in conjunction with the unaudited condensed interim financial statements for the three months ended January 31, 2013. The MD&A has been prepared effective May 30, 2013.

SCOPE OF ANALYSIS

The following is a discussion and analysis of Auxellence (formerly 0924888BC), which was incorporated on November 9, 2011, under the laws of the Province of British Columbia. The Company's head office is located at 2922 Mt. Seymour Pky, North Vancouver, BC. The Company reports its financial results in Canadian dollars and under IFRS. As a result of a recently completed Plan of Arrangement, it acquired a Letter of Intent to merge with C&C Cosmeceuticals Corporation ("C&C") through a business combination (the "C&C LOI").

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risk Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether written or oral that may be made by or on the Company's behalf.

General

Auxellence (formerly 0924888BC) was incorporated in British Columbia on November 9, 2011 as a wholly-owned subsidiary of a reporting issuer, Haltain Developments Corp. ("Haltain"). The Company has not yet commenced commercial operations as of January 31, 2013.

On May 21, 2013, the Company acquired the C&C LOI and \$2,500 from Haltain as part of the Plan of Arrangement. The Company has not commenced any commercial operations other than acquiring the C&C LOI from Haltain.

Auxellence's (formerly 0924888BC) Business

Auxellence (formerly 0924888BC), after combining with C&C, will be operating as a health technology company providing high-level online personal health solutions to customers of OTC (Over-The-Counter) consumer health products and services in the skincare (acne) and weight management sectors. Accordingly, Auxellence's (formerly 0924888BC) financial success may be dependent upon the extent to which it can develop its business objectives and the economic viability of commercializing any such technologies and additional opportunities.

Trends

Other than as disclosed in this MD&A, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

General Development and Auxellence's (formerly 0924888BC) Business History

Auxellence (formerly 0924888BC) was incorporated in British Columbia on November 9, 2011 as a wholly-owned subsidiary of a reporting issuer, Haltain Developments Corp. The Company has not yet commenced commercial operations as of January 31, 2013. During 2012, Haltain obtained final court approval to complete a plan of arrangement (the "**Arrangement**") pursuant to Division 5 of Part 9 of the Business Corporation Act (British Columbia) with its wholly-owned subsidiary Auxellence (formerly 0924888BC). Under the Arrangement, the Company is to acquire \$2,500 and all of Haltain's interest in an agreement to merge with C&C through a business combination, in exchange for common shares (the "**Auxellence (formerly 0924888BC) Shares**") of the Company, which Auxellence (formerly 0924888BC) Shares are to be distributed to Haltain shareholders pursuant to the Arrangement. On closing of the Arrangement, each Haltain shareholder, as of the share distribution record date received one new common share in the capital of Haltain (the "**New Haltain Shares**") and its *pro-rata* share of the Auxellence (formerly 0924888BC) Shares as distributed under the Arrangement for each Haltain common share (the "**Haltain Shares**") held by such person at the share distribution record date (determined to be as of May 13, 2013).

On May 21, 2013, the Company acquired the C&C LOI and \$2,500 from Haltain as part of the Arrangement. The Company has not commenced any commercial operations other than acquiring the C&C LOI from Haltain.

On completion of the Arrangement, the Company will be a reporting issuer in the province of British Columbia, Ontario and Alberta, the shareholders of which are the holders of Haltain Shares as of the share distribution record date.

Auxellence's (formerly 0924888BC) Business History

The Company was formed to as a consumer marketing company to sell proprietary natural skincare cosmeceuticals products through the development of the proposed business combination with C&C Cosmeceuticals Corporation. This has taken on a larger scope as C&C has evolved into a health technology company providing high-level online personal health solutions to customers of OTC (Over-The-Counter) consumer health products and services in the skincare (acne) and weight management sectors. The Company is integrating innovative therapeutic and diagnostic devices along with an Interactive Expert System and Recommender“PRESCRIPTOR” engine to provide a personalized system of diagnostic procedures for unique health solutions customized to each consumer. This technology was initially geared towards selling proprietary formulations of natural skin health and therapeutic products; however, the business model has expanded to provide an unbiased and independent recommendation of any and all manufacturer’s products that are submitted to be included and evaluated to potentially be recommended by the Company’s system. The Company may also acquire additional licenses to other skincare or consumer health technologies, products and services. Accordingly, the Company’s financial success may be dependent upon the extent to which it can develop its skincare cosmeceutical and consumer weight management health technologies, products and services, and the economic viability of acquiring, or developing any such additional product or service offerings. The Company is still in the start up phase and has not begun commercialization.

RESULTS OF OPERATIONS

As at January 31, 2013, the Company was still a wholly-owned subsidiary of Haltain and the Arrangement was not completed until after the quarter end. There was no operation for its period ended January 31, 2013. As of the date of this discussion, the Company had issued 1,512,684 of its common shares to shareholders of Haltain as the record date of May 13, 2013, completed the Arrangement and become a reporting issuer.

During the period ended January 31, 2013, the Company did not incur any expenses.

SELECTED ANNUAL INFORMATION

The following financial data, which has been prepared in accordance with IFRS, is derived from the Company’s financial statements. These sums are being reported in Canadian dollars and did not change as a result of the adoption of policies concerning financial instruments.

	January 31, 2013	Year ended October 31, 2012	October 31, 2011
Total Revenue	\$ --	\$ --	\$ --
Interest income	--	--	--
Expenses	--	2,500	--
Net loss	--	(2,500)	--
Total assets	1	1	--
Total long-term liabilities	--	--	--
Net loss per share (basic and diluted)	--	--	--

SELECTED QUARTERLY INFORMATION

The following table summarized the results of operations for the five most recent quarters as the Company was only incorporated since November 9, 2011.

	Three months ended January 31 2013
Total Revenue	\$ --
Interest income	--
Expenses	--
Net loss	--
Net loss per share and diluted loss per share	--

	October 31 2012	Three months ended July 31 2012	April 30 2012	January 31 2012
Total Revenue	\$ --	\$ --	\$ --	\$ --
Interest income	--	--	--	--
Expenses	2,500	--	--	--
Net loss	(2,500)	--	--	--
Net loss per share and diluted loss per share	--	--	--	--

LIQUIDITY

- (a) The Company has entered into a definitive agreement with C&C to complete the merger.

The Company is a start-up health technology company and therefore has no regular source of income, other than interest income it may earn on funds invested in short-term deposits. As a result, its ability to conduct operations, including the development of its website and

customization of health technologies and the evaluation and acquisition of additional health technologies, is based on its current cash and its ability to raise funds, primarily from equity sources, and there can be no assurance that the Company will be able to do so.

- (b) Other than as set forth herein, there are no expected fluctuations in the Company's liquidity, taking into account demands, commitments, events or uncertainties.
- (c) The Company does not currently have any liquidity risks associated with financial instruments.
- (d) The Company is expected to have a working capital deficiency if it does not complete the proposed financing upon completion of the planned acquisition of C&C. The Company expects to meet its liquidity need through additional equity financing(s).
- (e) There are no balance sheet conditions or income or cash flow items that may affect the Company's liquidity.
- (f) The Company does not presently have any subsidiaries.
- (g) There are currently no defaults or arrears by the Company on:
 - (i) dividend payments, lease payments, interest or principal payment on debt;
 - (ii) debt covenants; and
 - (iii) redemption or retraction or sinking fund payments.

CAPITAL RESOURCES

- (a) There are no known trends or expected fluctuations in the Company's capital resources, including expected changes in the mix and relative cost of such resources.

OFF BALANCE SHEET ARRANGEMENTS

As at January 31, 2013, the Company had no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Except for the transformation of its business plan into a strategic plan and a tactical plan, the Company does not have any proposed transactions to discuss at this time. The Company has already completed a definitive business combination agreement with C&C. Please refer to the "General Development and Auxellence's (formerly 0924888) Business History" section from above.

TRANSACTIONS WITH RELATED PARTIES

- a) As at January 31, 2013, accrued liabilities of \$Nil were owed to Ron Ozols, the president and a director of the Company. During the period ended January 31, 2013, the Company did not incur or accrue any consulting fees to Ron Ozols.

These transactions above are in the normal course of operations and are measured at the exchange value which represents the amount of consideration established and agreed to by the related parties.

OUTSTANDING SHARE DATA

Authorized: unlimited common shares without par value
unlimited preferred shares without par value

Issued and Outstanding:

	Number of Shares	Amount (\$)
Common shares issued for cash	1	1
Balance as at October 31, 2012 & January 31, 2013	1	1

As at date of this discussion, the Company has completed the Plan of Arrangement and issued 1,512,684 common shares in exchange for \$2,500 cash and the C&C LOI. The Company currently has 1,512,684 common shares outstanding.

Stock Options:

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors. As at and during the period ended January 31, 2013, no option was granted or outstanding.

CONTINGENCIES

Except for the commitments mentioned in the section on Liquidity in subsection (b), there is no other contingency outstanding as of date of this discussion.

SUBSEQUENT EVENTS

Subsequent to the period ended January 31, 2013, the Company has completed the Plan of Arrangement and issued 1,512,684 common shares in exchange for \$2,500 cash and the C&C LOI. Such shares were also re-distributed to shareholders of Haltain as of the record date of May 13, 2013.

Subsequent to the period ended January 31, 2013, the Company completed the amalgamation with C&C.

Subsequent to the period ended January 31, 2013, the Company changed its name to Auxellence Health Corporation.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In 2010, the Canadian Institute of Chartered Accountants (“CICA”) Handbook was revised to incorporate International Financial Reporting Standards (“IFRS”), and requires publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. The Company was incorporated on November 9, 2011. These unaudited condensed interim financial statements are prepared in accordance and compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting.

The unaudited condensed interim financial statements are presented in Canadian dollars, which is the Company’s functional and reporting currency. The unaudited condensed interim financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss (“FVTPL”), which are stated at their fair value.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

a) Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is

revised and the revision affects both current and future periods. Accounts which require management to make material estimates and significant assumptions in determining amounts recorded include valuation of share-based transactions and provision for deferred income tax.

Judgments made by management that have the most significant effect on the financial statements are discussed in Notes to the Unaudited Condensed Interim Financial Statement January 31, 2013 in paragraphs 3d), 3e), 3f), 3i) and 3(m).

b. Cash and cash equivalents

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less. As at January 31, 2013, there is \$Nil included as cash equivalents.

c. Shared-based payments

Pursuant to the Company's option plan ("Option Plan"), the Company may grant stock options to directors, officers and employees for the purchase of the capital stock of the Company. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

d. Deferred income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax

assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

e. Financial instruments

Financial instruments are defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Financial instruments at fair value through profit or loss (FVTPL).

Financial instruments are classified as FVTPL when they are held for trading. A financial instrument is held for trading if it was acquired for the purpose of selling in the near term. Financial instruments classified as FVTPL are stated at fair value with any changes in fair value recognized in earnings for the period.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, these financial assets are recorded at amortized cost using the effective interest method less any impairment.

Available-for-sale financial assets

Available-for-sale are non-derivative financial assets that are designated as available-for-sale or that are not classified in any other financial asset categories. Subsequent to initial recognition, changes in fair value, other than impairment losses, are recognized in other comprehensive income (loss) and presented in the fair value reserve in shareholders' equity. When the financial assets are sold or an impairment write-down is required, losses accumulated in the fair value reserve recognized in shareholders' equity are included in profit or loss.

Financial liabilities

Financial liabilities are initially recorded at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method. The Company's accounts payable, accrued liabilities and due to related parties are classified as financial liabilities.

Transaction costs incurred on initial recognition of financial instruments classified as loans and receivables and other financial liabilities are included in the initial fair value amount.

Financial assets are derecognized when the contractual rights to the cash flows from the asset expire. Financial liabilities are derecognized only when the Company's obligations are discharged, cancelled or they expire.

The Company has classified its financial instruments as follows:

<u>Financial Instrument</u>	<u>Classification</u>
Cash and cash equivalents	FVTPL
Subscription receivable	Loan and receivable
Accounts payable	Other liabilities
Accrued liabilities	Other liabilities

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

f. Impairment

i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss).

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in net income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through net income (loss).

g. Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income (loss) consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. Comprehensive income (loss) measures net earnings for the period plus other comprehensive income (loss). Amounts reported as other comprehensive income (loss) are accumulated in a separate component of

shareholders' equity as Accumulated Other Comprehensive Income (Loss). The Company has not had other comprehensive income (loss) since inception and accordingly, a statement of comprehensive income (loss) has not been presented.

h. Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average share outstanding is increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

i. Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

j) Future changes in accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after January 1, 2013 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded from the summary below. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

IFRS 9, Financial Instruments, replaces the current standard IAS 39, Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value.

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, and special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRSs. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

In addition, there have been amendments to existing standards, including IAS 27 and IAS 28. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 – 13.

k. Segment reporting

A reportable segment, as defined by 'IFRS 8 Operating Segments', is a distinguishable business or geographical component of the Company, which are subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments. The Company considers that it has only one reportable segment, being the consumer health products and services segment.

RISKS AND UNCERTAINTIES

Health Technology Industry

The health technology industry involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the development of a technology may result in substantial rewards, marketing will also play a significant role in developing the Company and its level of success. Major expenses may be required to establish the technology to be accepted in the marketplace. It is impossible to ensure that the current technologies and market strategy planned by the Company will result in a profitable commercial sales. Whether the Company will be commercially viable depends on a number of factors, some of which are the particular attributes of the industry the technology is geared toward and the existing infrastructure, as well as competitors strategies and market factors. Some of these are cyclical and government regulations, including regulations relating to medical devices and consumer health products.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Health technology operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the health industry and the high technology industry. Although adequate precautions to minimize risk will be taken, operations are subject to hazards that are unforeseeable or beyond the Company's control and their consequent liability.

Some of these risks include the following:

The Company will be largely dependent on the success of its website which has not yet launched and management cannot be certain that its website will be successfully commercialized.

The Company currently has no products for sale and cannot guarantee that it will ever have marketable products or services. The company plans to launch its website once it has obtained sufficient channel partners to offer appropriate specialized customization for OTC health products and services.

Risks in design, development and manufacture of a consumer health product which may have an adverse affect on a person's health.

If a significant portion of these development efforts are not successfully completed, required regulatory approvals are not obtained, or any approved products are not commercially successful, the Company's business, financial condition, and results of operations may be materially harmed

The Company's product candidates may never achieve market acceptance even if the Company obtains regulatory approvals.

The Company's activities are directed towards the skincare (acne) and weight management sectors of the consumer health industry. There is no certainty that the expenditures to be made by the Company as described herein will result in market acceptance of the Company's product or service offerings. There is aggressive competition within the skincare health (acne) and weight management marketplace. The Company will compete with other interests, many of which have greater financial resources than it will have for marketing towards target consumers. Significant capital investment is required to achieve commercialization from the current start-up and development stage of the Company.

Government Regulation

The consumer health products industry is subject to various federal, and provincial laws and regulations on, standards, claims, safety, efficacy and other matters. Regulatory approvals by government agencies on the Company's products or may be withheld or not granted at all and if granted may be subject to recalls which would materially affect the Company.

Although the Company's activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development, production, manufacture, product claims, marketing or commercialization. Amendments to current laws and regulations governing operations and activities of the consumer health industry or more stringent implementation thereof could have a substantial adverse impact on the Company.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include key person insurance as the Company heavily relies on its officers.

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Negative Operating Cash Flows

As the Company is at the early stage start-up stage it may continue to have negative operating cash flows. Without the injection of further capital and the development of revenue streams from its business, the Company may continue to have negative operating cash flows until it can be sufficiently developed to commercialize.

Risks Related as a Going Concern

The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its shareholders. Management of the Company will have to raise capital through private placements or debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time.

Reliance on Key Personnel and Advisors

The Company relies heavily on its officers. The loss of their services may have a material adverse effect on the business of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

Licenses, Patents and Proprietary Rights

The Company's success could depend on its ability to protect its intellectual property, including trade secrets, and continue its operations without infringing the proprietary rights of third parties and without having its own rights infringed.

Uncertainty Regarding Penetration of the Target Market

The commercial success of the Company's business as compared with those of its competitors depends on its acceptance by potential users and the medical community. Market acceptance

will largely depend on the reputation of the Company, its marketing strategy, consumer and health practitioner's services and performance. The Company's success will depend on its ability to commercialize and expand its network users. The Company will need to expand its marketing and sales operations and establish business relations with suppliers and users in a timely manner.

In order to meet its business objectives, the Company will have to ensure that its facilities and services are safe, reliable and cost-effective, and bring the expected return. There can be no assurance that the Company's products and services will be accepted and recommended.

Competition, Technological Obsolescence

The consumer health products industry for skincare and weight management is competitive. Others in the field may have significantly more financial, technical, distribution and marketing resources. Technological progress and product development may cause the Company's services and product offerings to become obsolete or may reduce their market acceptance.

Operating History and Expected Losses

The Company expects to make significant investments in order to develop its services, increase marketing efforts, improve its operations, conduct research and development and update its equipment. As a result, start-up operating losses are expected and such losses may be greater than anticipated, which could have a significant effect on the long-term viability of the Company.

Reliance on Joint Ventures, Licence Assignors and Other Parties

The nature of the Company's operations requires it to enter into various agreements with partners, joint venture partners, medical facilities, and medical equipment suppliers in the business world, government agencies, licensors, licensees, and other parties for the successful operation of its businesses and the successful marketing of its services.

There is no guarantee that those with whom the Company needs to deal will not adopt other technologies or that they will not develop alternative business strategies, acting either alone or in conjunction with other parties, including the Company's competitors, in preference to those of the Company.

Growth Management

In executing the Company's business plan for the future, there will be significant pressure on management, operations and technical resources. The Company anticipates that its operating and personnel costs will increase in the future. In order to manage its growth, the Company will have to increase the number of its technical and operational employees and efficiently manage its

employees, while at the same time efficiently maintaining a large number of relationships with third parties.

Regulatory Risks

Health technologies used by the Company are subject to a number of technological challenges and requirements, and can be subject to the regulations and standards imposed by applicable regulatory agencies. There can be no assurance that the Company will be able to comply with all regulations concerning its businesses.

Potential Liability

The Company is subject to the risk of potential liability claims with respect to its diagnostic and therapeutic solutions. Should such claims be successful, plaintiffs could be awarded significant amounts of damages, which could exceed the limits of any liability insurance policies that may be held by the Company. There is no guarantee that the Company will be able to obtain, maintain in effect or increase any such insurance coverage on acceptable terms or at reasonable costs, or that such insurance will provide the Company with adequate protection against potential liability.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the period ended January 31, 2013, there has been no significant change in the Company's internal control over financial reporting since last year.

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's interim financial statements for the three months ended January 31, 2013 (together the "Interim Filings").

The management of the Company has filed the Venture Issuer Basic Certificate with the Interim Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

Officers and Directors

Ron Ozols

President & Director

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